



IMPACTS REPORT

2025



ADEO 2025 IMPACTS REPORT

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GENERAL INFORMATION

1. Basis for making declarations

1.1 General basis for sustainability reporting

As a result of the Omnibus Directive adopted in April 2025, ADEO (referred to as "ADEO Group" or "ADEO") will be affected from the financial year beginning 1 January 2027 by the obligation to publish the Sustainability Report required by the Corporate Sustainability Reporting Directive. The Group is preparing to meet this new publication obligation and has decided to launch a voluntary annual reporting process. It is in line with **our previous publications** and perfectly **consistent with our strategy**, while at the same time drawing on the Group's reference system of policies and indicators.

The purpose of this report is to present the way in which ADEO and the subsidiaries included in the reporting scope (see "Reporting scope") take into account the material impacts, risks and opportunities associated with their activities on environmental, social and governance (ESG) themes.

The data presented in this report corresponds to data consolidated at ADEO level on the basis of this scope.

Reporting scope

Only companies that are fully consolidated in the financial statements and exceed the consolidation thresholds are included in the ESG reporting scope.

As an exception to this rule, insofar as the Group no longer exercises operational control over the subsidiary "Le Monlid" (formerly Leroy Merlin Russia), the latter is no longer included in the reporting scope or in the information presented in this declaration.

For the 2025 financial year, Bricocenter Italy, Tecnomat France¹, Leroy Merlin Brazil, Leroy Merlin Spain, Leroy Merlin France, Leroy Merlin Italy, Leroy Merlin Poland, Leroy Merlin Portugal, Leroy Merlin Romania, Obramat Spain, Obramat Portugal, Obramax Brazil, Tecnomat Italy, Weldom Services, Weldom Intégrés and Adeo Services are therefore taken into account, unless otherwise stated in the methodological paragraph on the indicator.

1.2 Information relating to specific circumstances

The ESG reporting scope for this voluntary report has the dual objective of being representative of ADEO's activities and of being progressively aligned with the CSRD expectations. It is freely defined according to the following rules:

Financial materiality threshold

The reporting scope for 2025 takes into account all subsidiaries consolidated in the financial statements and contributing more than 1% of the Group's ordinary

¹ Bricoman France became Tecnomat France in 2025

business income (OBI) at 31 December of year N-1. Also included are ADEO Services, Weldom Services and Weldom Intégrés (combined).

The application of this more restrictive threshold than at the time of publication of the Non-Financial Performance Statement (subsidiaries whose OBI exceeded 2% of the Group total) has led the Group to include Obramax Brazil for the first time in the Impact report and the ESG reporting scope. As the comparative figures for N-1 have not been restated, the figures presented for 2024 exclude Obramax Brazil. With regard to 2025, whenever the inclusion of Obramax was not possible due to the unavailability of data, this is specified.

As an exception to the scope explained above, social indicators for the Spanish legal entity ADEO Logistics Iberia have been excluded due to data unavailability. This exception will be lifted in future publications.

The scope for year N is updated to take account of this threshold on the basis of contribution data at 31 December of year N-1.

Acquisitions and disposals

When a subsidiary or business is acquired and joins the financial scope during the reporting period, and provided that it crosses the financial materiality threshold mentioned above, the inclusion of this subsidiary or business in the assessment of double materiality and in the sustainability statement is deferred to the following reporting period.

When control of a subsidiary or business is lost during the reporting period, the scope of the double materiality assessment and reporting is adjusted from the start of the current reporting period.

However, in the case of significant acquisitions and disposals, the report explains, on the basis of the information available, the significant events that have affected the subsidiary or business acquired (or disposed of) between the acquisition (or disposal) date and the reporting date, where they are likely to have an impact on the subsidiary's or business's exposure to significant impacts, risks and opportunities.

The Group plans to gradually align the ESG scope with that of the financial statements over the next few financial years, in order to prepare for its subjection to the CSRD in 2027.

2. Governance structure

2.1 Role of administrative, management and supervisory bodies

ADEO's governance is based on a hierarchical and coherent structure spread over 3 levels, ensuring strategic coherence, the systematic integration of sustainability issues and operational management.

The Board of Directors is the main legal decision-making body. It approves strategic orientations, key appointments and major investments, and oversees compliance with legal obligations. In 2025, it met five times and ESG information was presented at two of these meetings.

Every year in October, all the companies project between 12 and 15 ESG indicators over a three-year period, which make up the ADEO Positive Index (API), following the same logic as the economic and financial indicators. The API is presented in section [3.1 Strategy, business model and value chain](#).

On this occasion, the Companies present their trajectories and the actions planned to achieve them. These ESG trajectories are then consolidated and directly integrated into the budget plans, ensuring a complete link between economic performance and human and environmental performance.

The Board of Directors is supported by a Strategy Committee, which reports to the Board of Directors. This body, comprising 9 members - the Chairman of the Board, family members and external advisers - monitors the progress of the strategic plan, which incorporates the Group's ESG trajectories. As with the Board, Positive Impact issues are systematically included on the Strategy Committee agenda. The Positive Impacts Global Leader takes part in every meeting, in the same way as the other Global Leaders, to ensure that the economic, human and environmental dimensions are taken into account in strategic decisions.

At Group level, ADEO also relies on five specialist committees: digital, human resources, audit, finance and stakeholders. Each specialist committee is led by a Global Leader and chaired by a member of the Strategy Committee. These committees examine the Group's key issues, bring in external experts and report back to the Strategy Committee through structured annual reporting.

These include the Stakeholder Committee, which acts as the Group's ESG (Positive Impacts) Committee. It is made up of nine members from a variety of professional backgrounds (including an employee representative) and chaired by a member of the Board of Directors, assisted by the Positive Impacts Global Leader. The committee convenes 3 times a year. The Stakeholder Committee enhances ADEO's approach to implementing its purpose, while shedding new light on the challenges of today and tomorrow.

The Positive Impacts Global Leader leads a team whose mission is to provide expertise and a methodological framework, and to support functional departments and Companies in the operational integration of sustainability issues. Each Company also has a Positive Impacts Leader. These leaders, selected for their specific expertise in sustainability, are responsible for the local deployment of the Positive Impacts strategy.

Table 1: Composition of the Board of Directors

<i>In %</i>	2025
Percentage of independent members	25%
Percentage of employee representatives	25%
Percentage of women	25%
Percentage of men	75%

[2.2 Information provided to governance bodies](#)

The transmission of information on sustainability issues is ensured by a structured system that guarantees regular, reliable, bottom-up reporting to the governance bodies.

At their meetings, the above-mentioned Adeo Group governance bodies systematically integrate the three dimensions of performance: human, environmental and financial.

The Executive Committee monitors strategic indicators on a monthly basis, in particular the **ADEO Positive Index (API)**, the performance of which has a direct impact on the value of the Group's shares. At the same time, the specialist committees examine the issues falling within their remit and draw up an annual report for the Strategy Committee, ensuring that the issues identified in the Business Units are fed back in a structured way.

The ESG trajectories of the Companies are consolidated and analysed to ensure their alignment with the Group's ambitions. This steering also relies on the monitoring of "sustainable expenses", which makes it possible to consolidate and project investments and expenses of a sustainable nature. These resources represent the concrete resources mobilised by the Group and its Companies to implement their positive impact strategies.

In 2025, the ADEO Shift programme will be a major lever for strengthening the ownership of sustainability issues at the highest level of the organisation. Designed to enhance the Group's overall strategy and support its ambition to decarbonise the housing sector, this 10-month programme involves some of ADEO's top management, including the ALT (Global Leader Team, Business Unit Managing Directors and Chairman Coaches), as well as the Finance Leaders and Positive Impacts Leaders.

Launched in September, the first stages of the programme began with an inspiration phase marked by conversations with 5 experts in sustainable transformation. On this basis, a second phase of grounding and diagnosis was undertaken, inviting the management committees of the 13 Business Units and the Global Leader Team to carry out in-depth work on the limits to action. This process of introspection has enabled us to identify a significant set of obstacles under 21 themes, which now constitute the critical raw material for the rest of the journey. The third phase of the programme is currently underway, with the aim of accelerating the internal adoption of ESG issues.

[2.3 Integrating sustainability performance into incentive systems](#)

The creation of value is intrinsically linked to overall performance, seen as the result of an inseparable triptych: economic performance, human performance and environmental performance. This conviction, which is in line with our purpose "*We make home a positive place to live*", structures the entire variable remuneration system and guides the way in which sustainability results are integrated into the incentive mechanisms.

The Group uses a common evaluation framework: the ADEO Positive Index (API) presented in section [3.1. Strategy, business model and value chain](#).

It enables us to measure the speed of ADEO's transformation towards a more sustainable model, and is therefore an integral part of our governance processes, global performance monitoring and share value enhancement.

Since 2021, the performance share plans awarded to executives have included a specific mechanism, known as the "booster effect", which is entirely conditional on the achievement of API targets. This scheme recognises the commitment of our managers to the transformation of the company, in line with the API indicators.

Some Group companies also include environmental and social performance criteria in their profit-sharing and incentive schemes.

Each company has its own performance management system, in line with its operating context. Similarly, each company defines the composition and calculation of its incentive systems.

2.4. Statement on due diligence

Each year, ADEO publishes and makes accessible a due diligence plan designed to identify, prevent and mitigate the potential negative impacts of its activities and value chain on human rights, the environment and governance. As part of this process, the Risk, Compliance and Insurance Department draws up a risk map incorporating the risks associated with the value chain, which is then validated by the Risk Committee. The risks included in the due diligence plan correspond to the specific risks of serious violations of human rights and fundamental freedoms, the health and safety of individuals and the environment.

Table 2: Correspondence between the elements of due diligence and the sections of the Impact Report

Key elements of due diligence	Sustainability statement sections
a. Integrating due diligence into governance, strategy and the business model	2.1 Role of administrative, management and supervisory bodies
b. Collaborating with interested stakeholders at all stages of due diligence	3.3 stakeholder interests and views
c. Identifying and assessing negative impacts	4. Management of significant impacts, risks and opportunities
d. Take measures to remedy these negative impacts	3. Corporate culture and business conduct policies
e. Monitor and communicate the effectiveness of these efforts	4. Supplier relationship management 5. Preventing and detecting corruption and bribery

2.5. Risk management and internal controls on sustainability information

The internal control system in place is designed to ensure reliable ESG reporting, free from material misstatement of any kind that could call into question the level of confidence placed in the ESG data or influence the judgement of the users of this data, including the external auditors. As a result, the data must meet quality requirements: relevance, clarity and compliance with the reference system.

In 2025, ADEO began to structure its internal ESG controls, gradually formalising the tools and controls associated with each indicator and introducing monthly reporting of the ADEO Positive Index (API).

ADEO's reporting protocol is based on three indicator guides (Environment, Social, Governance) which are regularly updated and integrated into our data governance portal. The lifecycle of the indicators - from their creation to their production - is part of a rigorous "data driven" approach, in full compliance with the Group's data governance. Thus, the criticality of each source of information is the subject of a specific assessment, making it possible to adapt the control methods in order to guarantee indicators certified to the ADEO Group's global data best practices.

ESG data is collected via the Sweep solution² from all the companies included in the ESG reporting scope. Qualitative information is collected using a standardised data collection form filled in by each entity

First level of internal control

The first level of internal control is performed by **the Group's Companies and functional departments** for the data for which they are responsible. The ESG reporting protocol describes the expectations in terms of internal data control and is based both on the Group's financial reporting practices and on ADEO's current ESG reporting and digital data governance standards.

Within each company, a point of contact (the ESG Reporting Leader) is responsible for all ESG reporting within his scope, guaranteeing the reliability and consolidation of the data. He coordinates, leads and monitors the process.

Second level of internal control

A second level of control, **based on a company/indicator/digital risk approach, is performed by the Group's functional departments.**

A structured assessment of second-level internal control has been formalised by the team in charge of ESG reporting with a view to developing this risk-based approach. The assessment criteria take into account the level of risk inherent in each indicator, as well as the robustness of the controls, organisation, documentation and management of the processes implemented within the Companies and Businesses. The risks are mitigated by training and by reinforcing the controls to be carried out.

For data identified as being the most at risk, the ESG reporting team carries out checks for completeness, reconciliation between data sources, analytical reviews, rationalisation or, in some cases, requests for supporting documents. Targeted interviews with the digital teams enable us to assess the level of internal control built into the applications used.

Third level of internal control

The third level of control is based **on internal audits carried out by the Companies or at Global ADEO level, as well as external audits.**

In 2025, ADEO's Internal Audit department carried out several assignments on the Positive Impacts scope, including an assessment of the implementation of the

² Sweep is a SaaS solution for ESG reporting and consolidation

CSRD and the Sweep reporting solution. The conclusions are graded according to 4 levels (very unsatisfactory, unsatisfactory, satisfactory, very satisfactory), and accompanied by recommendations for improvement according to 3 levels of priority. When a report comes to an insufficient or very insufficient conclusion, a follow-up audit verifies that the expected corrective measures have been implemented. The conclusions of these audits are systematically shared with the Group's Audit Committee, which included ESG issues on its agenda in 2025. All recommendations are monitored by management and the implementation of action plans is coordinated by the Positive Impacts leader.

Although there is no regulatory requirement to audit sustainability information in 2025, ADEO has decided to have information audited on a voluntary basis. A panel of external auditors has been appointed to carry out the audits and issue an opinion based on reasonable or limited assurance, depending on the indicators.

3. Strategy

[3.1 Strategy, business model and value chain](#)

ADEO's purpose and ambition

In 2020, ADEO formalised its purpose, which guides each of its actions, with and for each of the stakeholders in its ecosystem.

"We Make Home a Positive Place to Live"

WE because we are contributing to a collective and global challenge, and have commitments shared with 115,000 employees, our ecosystems, local residents, professionals and all our partners to be useful to ourselves, to others and to the world.

MAKE because our business is centred on "doing", on "finding fulfilment through accomplishment", on the "concrete": renovating, repairing, decorating, fitting out, building, cleaning up, gardening, insulating, heating, lighting, making safe, etc., on production, action and impact.

HOME for your house, your neighbourhood, your town, your country, our planet.

A POSITIVE PLACE is a place that's healthy, safe, responsible, sustainable, frugal, efficient and comfortable, a happy and pleasant place.

TO LIVE in a place that reflects who we are and brings us together, where we feel good, that takes care of its inhabitants, like its neighbours and the environment, throughout our lives.

The Group's activities, an international presence

ADEO occupies a leading position in the home improvement market, being the number one player in Europe and the third largest in the world. The Group caters for both residents and building professionals, enabling it to cover the full range of construction, conversion and renovation needs. It is present in 11 countries with a network of more than 823 integrated sales outlets and 438 franchises and partners, plus e-commerce sites and 8 marketplaces, as well as retail partnerships in more than 20 countries.

Our presence

PHYSICAL LOCATION:


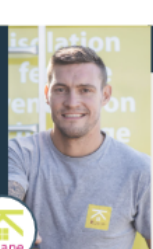

Brazil, Cyprus, France, Greece, Italy, Poland, Portugal, Romania, South Africa, Spain, Ukraine.

LOCAL DISTRIBUTOR PARTNERSHIPS:

Belgium, Bolivia, Cameroon, Colombia, Costa Rica, Côte d'Ivoire, Dominican Republic, Ecuador, El Salvador, Georgia, Guatemala, Hungary, Israel, Japan, Malta, Mexico, Namibia, Netherlands, Norway, Panama, Peru, Senegal, Slovenia, Uruguay.



ADEO's business model is based on a coherent group of six retail outlets covering all home needs.

 	<h3>LEROY MERLIN</h3> <p>At Leroy Merlin, we help people all over the world with all their home improvement projects, whether they involve renovating, home extensions, decorating, repairing, and so on. We offer a wide range of solutions covering plumbing, lighting, heating, electrical, sanitation, security, cooking, gardening and much more.</p>	<h3>WELDOM</h3> <p>Weldom, the french DIY, decoration and gardening chain, aims to turn its local presence and proximity with consumers into a key asset. Weldom provides tailor-made products, services and advice to help private consumers maintain, renovate and improve their homes. With its 5,000 staff, the company also draws on the support of a local network of independent entrepreneurs who are locally committed. This close relationship allows us to prioritize maintenance, repair and improvement, which are fairer and more sustainable solutions than replacement.</p>	 
 	<h3>M : THE PRO BRAND</h3> <p>Through BricoMan (Poland), ObraMat (Spain, Portugal), ObraMax (Brazil) TecnoMat (Italia, France) et Megabud (Ukraine), we provide building materials, equipments, professional tools, brand names, services and advice to help trade professionals carry out home improvement projects for their customers.</p>	<h3>BRICOCENTER</h3> <p>With Bricocenter Italy, we make DIY easier for everyone by offering all the essential products in our local outlets, run by teams with local knowledge and extensive technical expertise.</p>	 
 	<h3>KBANE</h3> <p>With Kbane, our company specializing in energy-efficient home renovations, we support inhabitant in improving the comfort and energy efficiency of their homes. Thanks to a range of turnkey solutions (heating, solar, joinery, etc.) and a network of experts present throughout France, Kbane advises, installs and monitors projects to facilitate the energy transition of homes.</p>	<h3>SAINT MACLOU</h3> <p>With Saint Maclou, our brand specialising in the distribution and installation of floor coverings in France, we help private consumers to design and implement their projects thanks to a specific range of products and a network of artisan-fitters.</p>	 

The business model is also based on fifteen own brands - known as MDH, own-brand products, covering all the main areas of the home. Designed according to a structured, unified process, they ensure consistency, quality, performance in

use and integration of the environmental and social requirements defined by the Positive Products strategy detailed in section [5.3. Positive Products](#).



Group strategy

True to its purpose "We Make Home A Positive Place to Live", ADEO places the creation of sustainable value at the heart of its strategy, with the ambition of reconciling economic performance, environmental impact and human progress. This ambition guides all the Group's decisions, and is based on human development and home improvement to structure its development.

ADEO builds **the global platform for positive living** by relying on three complementary levers to structure its business model.

- Retail, a solid network of local shops rooted in the regions;
- Omnichannel commerce, which streamlines the customer journey by combining distance selling and integrated logistics,
- The platform that offers extended solutions through marketplaces and service partners, covering the entire home improvement value chain.

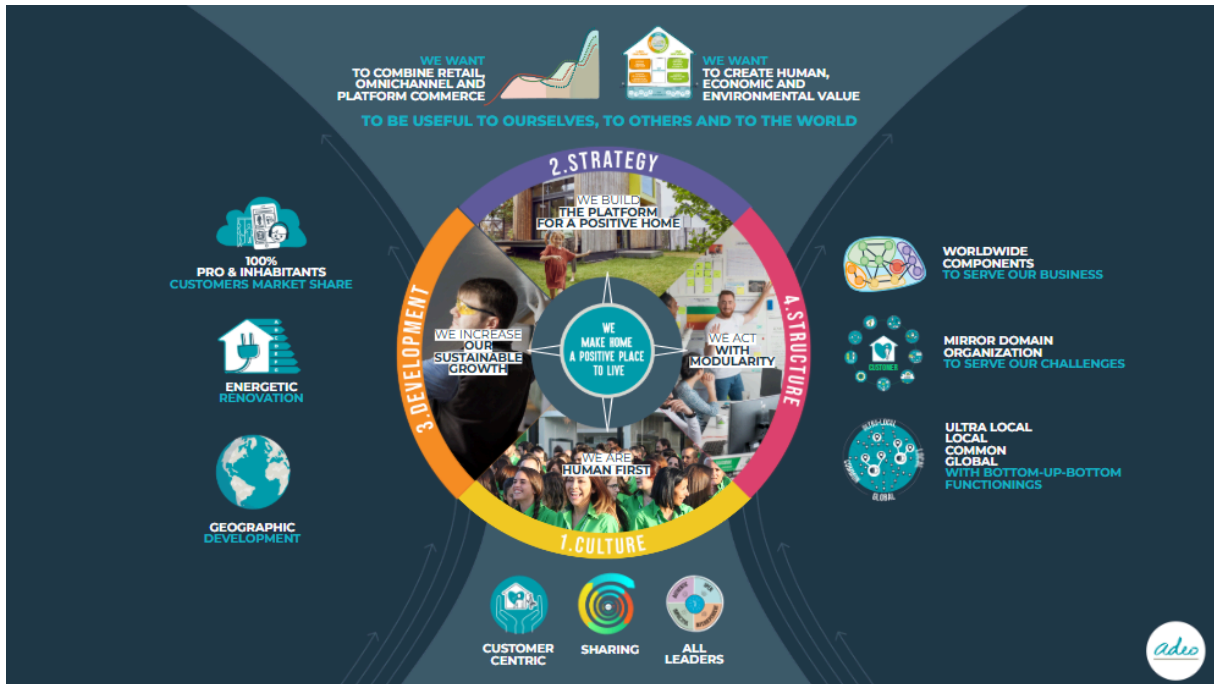
This strategy supports three priority growth drivers:

- Energy-efficient home renovation;
- New forms of commerce;
- The market for housing professionals.

These three pillars enable the Group to provide ever more solutions for local residents, to develop its potential and to generate positive impacts.

This diagram summarises ADEO's strategic vision and shows how the Group connects its purpose, its strategy and its development model.

At the heart of this strategy, ADEO is reaffirming the central role of people and sharing, which are the foundations of its corporate culture. This culture, inherited from the Group's history, nurtures the collective approach by promoting sharing, trust, skills development and autonomy. This approach enables every employee to become a fully committed player in the collective success and makes people a driving force behind the Group's business model.



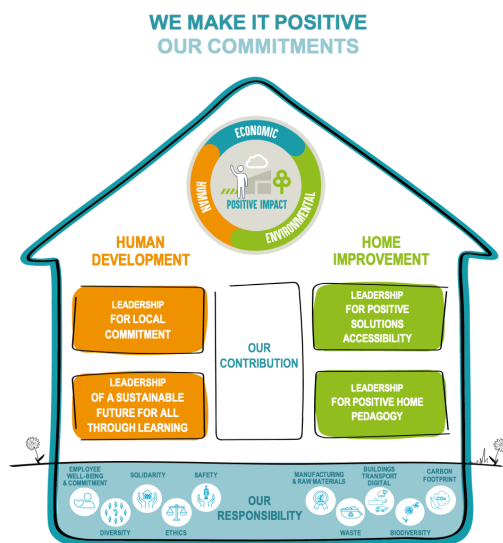
WE MAKE IT POSITIVE: Positive Impacts strategy

The Positive Impacts strategy, integrated into the Group's strategy, reflects its ambition to become a company with a positive impact, guaranteeing sustainable growth. It is based on two fundamental pillars:

- Human development: placing employee safety and well-being, skills development, internal promotion, diversity and social dialogue at the heart of sustainable performance.
- Home improvement: aimed at making more responsible products and solutions available, designed to reduce their footprint over their entire life cycle and improve the energy performance of homes, while limiting the environmental impact of the Group's activities.

The We Make It Positive strategy has been developed on two levels:

- A first level of responsibility, based on the essential fundamentals of ADEO as a responsible company;
- A second level of contribution, creating value and affirming ADEO's uniqueness in its markets.



Sustainable performance management system: The ADEO Positive Index (API)

At the heart of its business model, ADEO relies on integrated management of sustainable performance, which combines human, environmental and economic performance in an inseparable way. In operational terms, this approach is reflected in the ADEO Positive Index (API), which is the Group's system for measuring and monitoring its transformation.

In 2025, the API will combine 13 fundamental indicators to provide a consolidated view of the Group's non-financial performance:

- 6 dedicated to human development: the frequency rate of accidents at work, the stability rate of our employees, the percentage of women managers or occupying strategic positions, the internal promotion rate, the number of hours of training per employee per year, and the Employee Net Promoter Score;
- 7 dedicated to home improvement: the carbon footprint of our operations (scopes 1 and 2) and of products sold (scope 3 Products), the GMV of sustainable solutions, the sale of products that avoid emissions, the proportion of sales of products rated A, B or C in the Home Index, the percentage of waste sorted, and the percentage of suppliers and marketplace sellers who are signatories to the responsible purchasing code.

By making the results of the various companies visible and comparable, the API makes it possible to measure the speed with which the Positive Impacts strategy is being implemented.

Based on a common reference system for all entities, the API creates a uniform basis of requirements that enables the Group to direct its priorities, identify the levers for progress and steer the creation of sustainable value throughout its value chain. It plays a fundamental role in ADEO's governance: its objectives are regularly monitored and re-evaluated - each year or over a multi-year cycle - in the light of the results obtained and changes in local social and environmental risks, feeding into the Positive Impacts strategic decision-making process.

Finally, the API supports the local deployment of the strategy, since each company defines multi-year objectives adapted to its legislative, cultural and market realities. This link between global ambition and local autonomy ensures that sustainable transformation is integrated into the heart of the business model.

Table 3: Results of the ADEO Positive Index indicators in 2025

Human Development		Home improvement	
Frequency Rate	9.50	GMV of sustainable solutions (€K)	9,366,845
Stability rate	85.70%	Percentage of sales with a Home Index score of A, B or C	53.70%
Female managers (%)	28.30%	Percentage of waste sorted	81.30%
Internal promotion rate	55.80%	Avoided emissions from products sold (t.eq.CO2)	4,084,099
Number of training hours per employee	34.67	Scope 3 carbon emissions from products (t.eq.CO2)	62,750,671
Employee NPS	50.1	Scope 1&2 carbon emissions (t.eq.CO2)	171,884
		Percentage of suppliers (1p, NM, 3p) who have signed the responsible purchasing code	95.52%

The value chain

ADEO's value chain encompasses all the stages involved in designing, producing, distributing, installing and using positive living solutions. It is based on a coherent range of retail outlets, own-brand products, partners and services, all of which are designed to meet the needs of residents and professionals in each of the regions in which the Group operates.

3.2 Energy renovation: conquering a strategic market

Energy renovation is a key market in Europe, with over thirty-five million buildings in need of renovation. By helping residents to build homes with lower emissions, higher performance and greater comfort, ADEO is making a direct contribution to decarbonising the construction sector, while developing a growth driver that reconciles economic performance with positive impacts.

This market has two major characteristics:

- This is a complex value-creation process, which requires simultaneous management of product marketing, technical support, financing, installation and monitoring. In response to this complexity, ADEO is adopting a service-oriented approach based on the trustworthiness of the Leroy Merlin brand.

- Heavy dependence on public subsidies. This requires the Group to build a solid, sustainable business model capable of operating independently, while remaining adaptable to local realities and national policies.

ADEO's path begins with **DIY** (Do It Yourself) product excellence: availability, stock, advice. This is the essential condition for being a perfect seller of energy renovation solutions that are accessible to all.

At the same time, ADEO is developing and testing local models for operating energy renovation activities:

1. **DIY (Do It Yourself) product excellence:** in Spain, Obramat is positioning itself as the benchmark distributor for home professionals, with a strong ambition in the photovoltaic market. The aim is to multiply sales and market share in this fast-growing sector over the next 3 years.
2. **DIFM (Do It For Me) support via an integrated service:** Leroy Merlin Spain deploys a comprehensive support model. It relies on an in-house design office staffed by specialist engineers, a network of expert partners (financing, subsidies, works) and advanced digital tools, such as budget simulators, to manage residents' energy renovation projects, from design to completion.
3. **DIFM (Do It For Me) support via an outsourced service:** In Poland, Leroy Merlin has developed a partnership strategy with SM Project, in particular to facilitate the financing of renovation projects. After a successful test in 25 pilot shops, the solution was rolled out to all 80 Leroy Merlin shops in Poland, as well as online.

By combining the power of its product offering with the strength of its service in this strategic market, ADEO aims to transform its ambition and position itself as a leader in energy renovation and the decarbonisation of housing.

ADEO has identified five priority markets for its solutions to decarbonise housing and reduce the pressure it exerts on the climate.

These solutions cover:

- Insulation products to minimise energy loss;
- Doors and windows for improved airtightness and energy efficiency;
- Modern heating and air conditioning systems, optimised for a low carbon footprint;
- Temperature control devices to better regulate and optimise energy consumption;
- Products and solutions for producing energy, such as solar panels.

Table 4: GMV for energy renovation

<i>In €K (excl. Obramax)</i>	2024	2025	Evolution
GMV for energy renovation	1,779,145	1,889,183	6%

3.3. Stakeholder interests and views

ADEO has carried out a detailed mapping of its stakeholders, highlighting the diversity of players who interact with its activities. ADEO bases its strategy on a detailed and ongoing understanding of its stakeholders' expectations. True to its purpose, *We Make Home a Positive Place to Live*, the Group believes that human, economic and environmental value can only be created through ongoing dialogue with those who interact with its business: employees, residents, suppliers, craftsmen, partners, communities and all the players in its ecosystem. This dialogue takes the form of regular listening, exchanges and consultations at both corporate and Company level. The diversity of the channels used enables us to understand the specific expectations of each category of stakeholder.

Table 5: Dialogue with stakeholders

Stakeholders	Ways and means of encouraging dialogue
Customers	<ul style="list-style-type: none"> → Brand websites and social networks; → Opinions and comments collected via dedicated e-mail addresses.
Employees and social partners	<ul style="list-style-type: none"> → Internal barometers (Employee eXperience Index); → Regular and constructive dialogue with the social partners. <p>ADEO has structured its social dialogue to enable effective exchanges with staff representatives, while guaranteeing a good level of proximity with operational entities and employees, in particular through the establishment of information and social dialogue bodies at all levels of the Companies and the Group (social and economic committees in each establishment, Group Committee, International Information and Dialogue Committee).</p>
Suppliers	<ul style="list-style-type: none"> → Agreements with suppliers organised to share strategic policies as well as economic information and future prospects; → Supplier portal for placing and tracking orders, accessing reports and receiving messages from ADEO.
Partners	<p>Consultation, membership and participation; For example:</p> <ul style="list-style-type: none"> → Partner of the Solar Impulse Foundation; → Commitment to the United Nations, as a member of the Global Compact, an initiative that encourages companies to commit to 17 Sustainable Development Goals (SDGs), which define the world's priorities for 2030.
Shareholders	<p>Employee shareholders:</p> <ul style="list-style-type: none"> → Meetings with the "ValADEO Presidents", who represent the employee shareholders of the Companies, twice a year. → Dedicated website www.valADEO.com → Annual General Meeting. <p>AFM:</p> <ul style="list-style-type: none"> → Meetings at general meetings and regular special meetings.
Civil society (NGOs, media, institutions, etc.)	<ul style="list-style-type: none"> → www.ADEO.com → Press releases

In 2022, ADEO enhanced its governance with the creation of the Stakeholder Committee.

3.4. Significant impacts, risks and opportunities and their link to strategy and business model

The double materiality analysis carried out identified 161 impacts, risks and opportunities (IROs) grouped into 31 issues presented in the tables below.

This aggregation was carried out by establishing a correspondence between the sub-themes or sub-sub-themes of the CSRD-AR16 and ADEO's ESG issues.

These material challenges are the foundation on which ADEO's sustainability strategy is built and determine the areas for which the Group discloses detailed quantitative and qualitative information in this impact report. The results of the analysis have been taken into account in defining the action plans and policies deployed by the Group for all material themes.

Table 6: Impacts, risks and opportunities for ADEO

IRO	Issues	Description	Horizon	Value chain	
Negative impact	Adaptation to climate change	Consequences of climate change (heat waves, extreme weather events, etc.) affecting people and their workplaces, with consequences for their health and safety.	Short term	The entire value chain	
Negative impact	Group footprint climate mitigation	carbon and change	Operation of ADEO's physical sites contributing to the increase in greenhouse gases (GHG).	Short term	Own operations
Negative impact	Group footprint climate mitigation	carbon and change	The sale of products by ADEO, from the sourcing of raw materials, to the transport of goods, to the production and distribution processes, to the use and end-of-life of products, contributing to the increase in greenhouse gases and the depletion of fossil resources.	Short term	The entire value chain
Negative impact	Group footprint climate mitigation	carbon and change	Activities necessary to the life of the company, such as customer travel, employee travel and property investment, which contribute to the increase in greenhouse gases.	Short term	Own operations
Positive impact	Energy-efficient home renovation	Contributing to the decarbonisation of housing through products and services that promote energy renovation.	Short term	Downstream value chain and in-house operations	
Risk	Group footprint climate mitigation	carbon and change	Regulatory changes and requirements relating to GHG emissions, including the introduction of a carbon tax, which could result in penalties and financial costs.	Medium-term	The entire value chain
Risk	Group footprint climate mitigation	carbon and change	Poor anticipation of consumer expectations regarding the decarbonisation of our products and activities, resulting in misalignment and loss of market share.	Medium-term	Downstream value chain and in-house operations
Risk	Group footprint climate mitigation	carbon and change	Dependence of ADEO's products and services and its value chain on energy (political instability, electricity shortages, price volatility), resulting in higher financial costs (reflected in purchase prices and invoices)	Short term	The entire value chain
Opportunity	Group footprint climate mitigation	carbon and change	Diversification and development of product ranges that consume fewer resources (low-carbon products) and emit less (low-carbon products), enabling ADEO to become more attractive and generate new market share.	Short term	Upstream value chain and in-house operations

Opportunity	Energy-efficient home renovation	Development of a new commercial activity aimed at improving the energy performance of residents, involving the development of skills for ADEO employees.	Medium-term	Own operations
Negative impact	Managing water resources	Water consumption and abstraction in the value chain (extraction of materials, production) and on our sites, contributing to the depletion of water resources to the detriment of local populations (water shortages) and biodiversity (disruption of the water cycle)	Short term	Upstream value chain and in-house operations
Negative impact	Impact of activities on biodiversity	Raw material sourcing activities (mineral, vegetable, petrochemical materials, etc.) and production processes in factories manufacturing ADEO products that contribute to the degradation of ecosystems: degradation of spaces, water, soil and air pollution, overexploitation of resources and water.	Short term	Upstream value chain and in-house operations
Negative impact	Dependence on ecosystem services and biodiversity	Irrational and irresponsible sourcing of raw materials (e.g. wood, cotton, metal, minerals, energy, etc.) for the manufacture of ADEO products or products marketed by ADEO, without reliable traceability in the value chain and which may lead to the over-exploitation of natural resources and environmental degradation (biodiversity and ecosystem services).	Short term	Upstream value chain and in-house operations
Risk	Dependence on ecosystem services and biodiversity	ADEO's dependence on raw materials may give rise to risks of regulatory non-compliance (e.g. with the EUDR), a risk linked to the reduced availability and volatility of resource prices, a reputational risk and a risk of non-compliance with consumer expectations (materials, product traceability).	Short term	Upstream value chain and in-house operations
Positive	New forms of business linked to the circular economy	ADEO enables the development of new waste recovery processes	Short term	Downstream value chain and in-house operations
Opportunity	Eco-design including product lifespan	Improved eco-design of products sold, resulting in an acceleration of innovation within ADEO and the proposal of an offer with different characteristics (less resource-consuming and less GHG-emitting), making it possible to gain market share.	Medium-term	Upstream value chain and in-house operations
Opportunity	New forms of business linked to the circular economy	Development of circular activities (repair, second-hand, rental, etc.) generating new commercial opportunities for ADEO and reducing its dependence on resources through the circularity of material flows, enabling it to reduce its financial costs.	Medium-term	Own operations

SOCIAL AND GOVERNANCE IROs

IRO	Issues	Description	Horizon	Value chain
Risk	Well-being and quality of life at work	Increase in psychosocial illnesses leading to absences from work, resulting in lower team productivity, higher financial costs and legal risks (complaints, lawsuits, financial penalties).	Short term	Own operations
Risk	Well-being and quality of life at work	Lack of sufficiently attractive working time and work-life balance arrangements for candidates, leading to a decline in the attractiveness of the company, longer recruitment times and higher financial costs associated with recruitment.	Short term	Own operations
Risk	Health and safety throughout the entire upstream value chain (including employees)	Accidents at work, exposure to health and safety risks at ADEO that could lead to a stoppage of activity (in the event of serious and imminent risk), a drop in team productivity (work stoppages, departures, drop in team motivation), damage to the company's image resulting in the loss of customers/partners, financial penalties.	Short term	Upstream value chain
Risk	Human rights in the workforce	Highlighting of illegal labour in ADEO warehouses (forced labour, human trafficking, etc.) leading to a bad reputation, loss of customers/partners/suppliers, financial penalties, regulatory non-compliance (in relation to CS3D for example) or even financial losses	Medium-term	Upstream value chain
Negative impact	Health and safety throughout the entire upstream value chain	Exposure of workers in the value chain (particularly in the factories of suppliers of own-brand products (MDH) and National Brand products marketed by ADEO) to dangerous substances or machines that could cause death or short- or long-term damage to the physical integrity and health of these workers (failure to comply with safety rules, lack of adequate personal protection).	Short term	Upstream value chain
Negative impact	Human rights in the supply chain	Non-compliance with decent working conditions (excessive working hours, imbalance between professional and private life) by ADEO's partners, which may have an impact on the well-being and health of workers in the value chain.	Short term	Upstream value chain
Negative impact	Human rights in the supply chain	Cases of illegal labour (child labour, forced labour, modern slavery) at an ADEO partner, affecting the health and living conditions of the workers concerned.	Short term	Upstream value chain

Risk	Health and safety throughout the entire upstream value chain	Accidents at work, exposure to health and safety risks at ADEO that could lead to a stoppage of activity (in the event of serious and imminent risk), a drop in team productivity (work stoppages, departures, drop in team motivation), damage to the company's image resulting in the loss of customers/partners, financial penalties.	Short term	Upstream value chain
Risk	Human rights in the supply chain	Non-compliance with the decent wage requirement by ADEO's partners, leading to financial penalties for ADEO (due diligence, CS3D) and a decline in the quality of services provided by partners (lack of attractiveness, difficulty in recruiting).	Short term	Upstream and downstream value chain
Opportunity	Access to decent housing	Development of products and offers to promote home renovation, supported by regulatory changes in the context of the ecological transition, enabling ADEO to differentiate itself from its competitors, improve its reputation and gain market share.	Short term	Upstream value chain + own operations
Risk	Customer health and safety (shops & products)	Cases of damage to the health or safety of customers or end-users (in-store, when using products or during home services) resulting in financial penalties, market losses (lower customer satisfaction, reputational risk), and/or a reduction in business activity.	Short term	The entire value chain
Risk	Customer data protection	Negligence in the data controls put in place (lack of authorisation, etc.), leading to financial penalties in the event of data leakage or misuse, and market losses (loss of the customers concerned and reputational risk).	Medium-term	Downstream value chain + own operations
Negative impact	Customer health and safety (shops & products)	Safety shortcoming in an ADEO shop resulting in the death or physical harm of a customer.	Short term	Own operations
Negative impact	Customer health and safety (shops & products)	Marketing by ADEO or its marketplaces of products that are dangerous to use and/or harmful in terms of the substances they contain, or that do not comply with ADEO's values and may cause injury or illness to end users (e.g. with crystalline silica having the same effects as asbestos).	Short term	Downstream value chain + own operations
Negative impact	Protecting whistleblowers	Lack of protection for whistleblowers, leading to stigmatisation and/or rejection of whistleblowers, even hindering their physical safety, and discouraging the reporting of unethical practices.	Short term	Own operations

Negative impact	A relationship of trust with suppliers	Dependency risk: Sellers present on the ADEO marketplace or its suppliers may be exposed to functional dependence (visibility, skills, trust) on ADEO, which could slow down the development of their business and impact their revenues.	Short term	Upstream value chain and in-house operations
Positive impact	A relationship of trust with suppliers	Constructive dialogue with suppliers, training and support for the development of sustainable products and activities (circularity, etc.) that contribute to the ecological transition.	Short term	Upstream value chain and in-house operations
Risk	A relationship of trust with suppliers	The choice of a service provider and the quality of its services may affect ADEO's activities and performance.	Short term	Upstream value chain and in-house operations

4. Management of impacts, risks and opportunities

In 2024, ADEO carried out a double materiality analysis to identify, assess and prioritise its material impacts, risks and opportunities. This process is based on both impact materiality and financial materiality, making it possible to integrate both the effects on stakeholders and the environment and the financial and reputational consequences for the company. This analysis is based on a structured methodological process, guaranteeing the reliability of the results in 4 stages:

1. Identification of the IROs for all the sub-themes and sub-sub-themes included in the analysis on the basis of AR 16, then grouped into issues.
2. Assessing the materiality of IROs according to the thresholds defined by the Group
3. Consolidation of results to highlight material sub-themes and sub-sub-themes
4. Validation of the analysis

Stage 1: Identification of relevant IROs

To determine the sustainability issues, ADEO used the themes, sub-themes and sub-sub-themes listed in AR 16 of ESRS 1. This list has been supplemented by sector-specific reference systems relevant to the company's business sector.

From the point of view of **financial materiality**, the SASB, S&P DJSI CSA and MSCI reference systems were used to shed light on the issues likely to influence the company's financial performance or value.

From the point of view of the **impact materiality**, ADEO relied in particular on ENCORE, UNEP-FI and the Shift Project's "Business Model Red Flags" to identify current and potential significant impacts on the environment, workers and society.

This themed framing stage enabled us to define a clear scope that was consistent with the realities of the sector.

To ensure a balanced view - between external expectations, internal priorities and regulatory trends - the preliminary IROs have been identified by cross-referencing several complementary sources of information:

Stakeholder consultation (presented in section [3.3 Stakeholder interests and views](#))

More than thirty interviews were conducted with stakeholders both within and outside the company (excluding the media, financial institutions, public bodies, candidates and educational institutions) to identify their expectations regarding sustainability, in accordance with Adeo's reference system and following the recommendations and guidelines of EFRAG.³ Their feedback contributed directly to the analysis of double materiality and was integrated into the Group's strategy.

At the same time, questionnaires were distributed to staff at eight retail outlets (across three countries) and to nearly 900 customers.

- Company strategy documents (CSR risk mapping; HR plan; Due diligence; We Make It Positive strategy);
- International themed reference systems;
- Benchmark materiality analyses carried out by leading companies in the sector;
- Press review and analysis of the ESG-related regulatory context and news relating to the issues identified.

This in-depth analysis identified 161 potential IROs, which were subsequently validated by the relevant contacts within the company to confirm their relevance.

Once the IROs had been confirmed, ADEO specified for each one the relevant time horizon: short term (less than 1 year), medium term (1 to 4 years) and long term (more than 5 years), as well as the relevant link in the value chain (upstream, own operations or downstream).

Stage 2: Materiality assessment

To assess the materiality of impact and the financial materiality of the IROs identified in the previous step, the following rating methodology was used:

The Impact Materiality is the sum of the Magnitude, Scope and Remediability, multiplied by the Probability of Occurrence.

It was assessed on the basis of a rating ranging from 0 to 15, transformed into a score out of 4, with a materiality threshold set at 3.

When it comes to human rights themes, severity systematically outweighs probability. This was therefore automatically set to 1.

Financial materiality has been considered as the product of Magnitude and Probability.

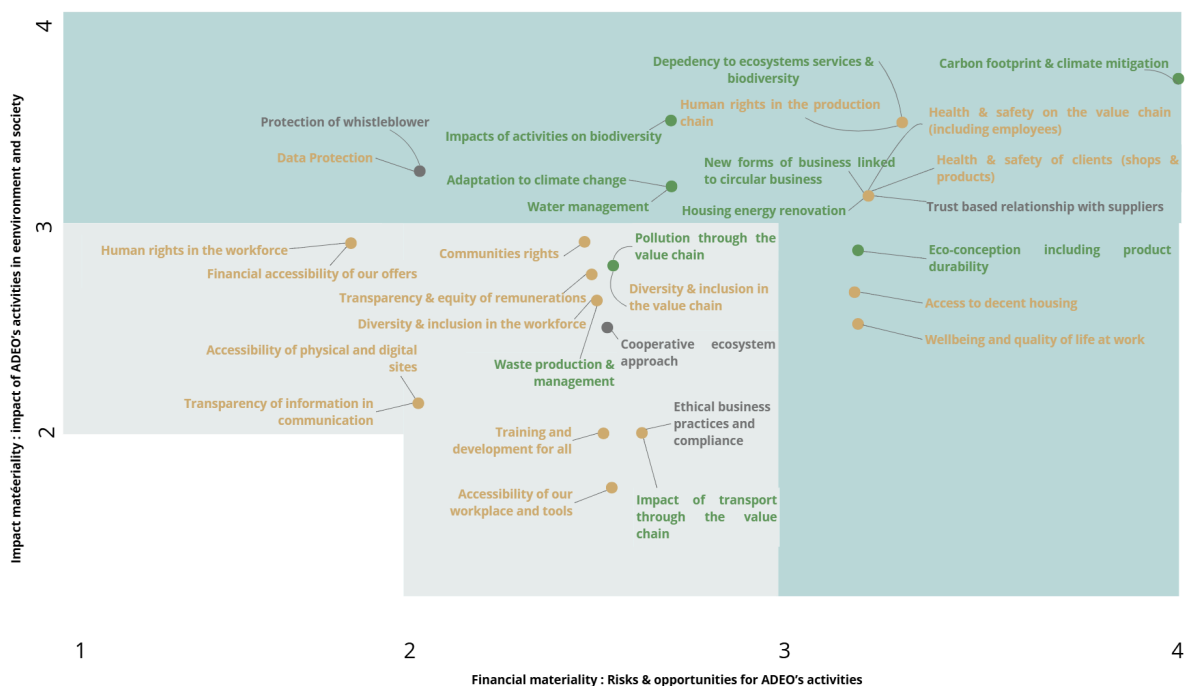
³ EFRAG, ESRS 1 General Requirements, Appendix A: Application Guidance on double materiality and EFRAG (2024), IG 1: Materiality Assessment Implementation Guidance, accompanying document for the application of ESRS standards in accordance with Directive (EU) 2022/2464 (CSRD)

- The magnitude was assessed on a scale ranging from "minimal" (1) to "very strong" (5). The dialogue with stakeholders has enabled us to assess the magnitude of each issue.
- The scope was assessed on a scale ranging from 'limited' (0) to 'global' (5). Analysis of international reference systems and dialogue with stakeholders have enabled us to assess the scope of each issue.
- Remediability was assessed on a scale ranging from "relatively easy to correct in the short term" (1) to "irreversible" (5). An analysis of the literature, the media and the reference systems has enabled us to assess the remediability of each issue, i.e. whether or not it is possible to remedy a negative impact through any action, supplemented by dialogue with the stakeholders.
- The probability of occurrence was assessed on a scale ranging from "very unlikely" (0.2) to "certain or likely" (1). This is the probability of an identified issue occurring, supplemented by dialogue with stakeholders.

Stage 3: Consolidation of results

An IRO is considered material when it meets the materiality threshold from the point of view of impact materiality, financial materiality, or both. To make the results easier to understand and communicate, the IROs were then grouped into 31 issues. This grouping was made by matching the CSRD sub-themes and sub-sub-themes with ADEO's ESG issues. The final score for an issue, as well as its position in the double materiality matrix, corresponds to the maximum score for each sub-theme and sub-sub-theme.

Lastly, a number of marginal adjustments were made to ensure consistency between the results of this analysis and the Group's due diligence and strategic risk maps.



ADEO has drawn up a multi-year roadmap for updating its double materiality analysis, with an interim update scheduled for 2026. The analysis will be repeated in its entirety every three years, and may be subject to an exceptional annual update in the event of a major event likely to significantly alter the impacts, risks or opportunities identified.

Stage 4: Validation

Double materiality analysis (DMA) is a central tool for managing sustainability issues. It was initiated in 2024 by a multi-disciplinary working group, and co-constructed with the Positive Impacts Global Leader, the Risk and Compliance Department, the ESG Reporting Manager, and environmental and corporate communications experts. Its methodology and results were reviewed in 2025 by the Group's external auditors (EY and Mazars), having first been shared with ADEO's key governance bodies:

- The Stakeholder Committee (07 February 2025),
- Positive Impact Leaders and Human Company Leaders (25 February 2025),
- The Global Leaders Team (17 March 2025),
- Positive Impacts management committee (05 September 2025)
- ADEO Risk Committee (19 September 2025)

This step-by-step sharing of information with all governance bodies ensures that material issues are integrated into the company's overall risk management and sustainability strategy

ENVIRONMENTAL INFORMATION

1. Information on European taxonomy

1.1 Reminder of the regulatory context

European Taxonomy: A Framework for Sustainable Investment

The European Taxonomy, resulting from European Regulation 2020/852 of 18 June 2020, is a tool created by the European Union to identify economic activities that make a significant contribution to environmental objectives. Its aim is to direct investment towards more sustainable projects.

The environmental objectives are as follows:

1. Mitigating climate change
2. Adaptation to climate change
3. Sustainable use and protection of aquatic and marine resources
4. Transition to a circular economy
5. Preventing and reducing pollution
6. Protecting and restoring biodiversity and ecosystems

Definition of an eligible activity

An *eligible* activity is one that has the potential to contribute to one or more of these objectives. The list of eligible activities has been drawn up by the European Commission and published in the "Delegated Acts" regulations. An eligible activity is always linked to one or more of the 6 environmental objectives, as it could potentially contribute to them.

Definition of an aligned activity

Among the eligible activities, an activity is considered *aligned* when several conditions are met. It must:

- Contribute substantially to at least one of the six environmental objectives (e.g. climate change mitigation).
- Respect precise technical criteria.
- Not cause significant harm to other environmental objectives ("Do No Significant Harm" or DNSH principle).
- Respect minimum social guarantees (human rights, anti-corruption, etc.).

These criteria vary according to the type of activity and the environmental objective to which it relates.

The indicators concerned

The European taxonomy requires eligible activities to be identified according to three indicators:

- sales,
- operating expenses (OPEX)
- capital expenditure (CAPEX)

These indicators show the proportion of activities falling within the scope of the European Taxonomy.

The following information was compiled by the Positive Impacts department and the Group Finance department working together.

[1.1.2 Link with ADEO's Positive Impacts](#)

ADEO will be subject to its first taxonomic regulatory publication in 2027 in accordance with the EU Taxonomy Regulation (EUTR) 2020/852, the associated Delegated Regulations as well as the provisions of the Omnibus I package providing for a delay in publication ("Stop The Clock" Directive) and a Delegated Act amending taxonomy provisions in a targeted manner.

Among the 6 environmental objectives, the European Commission has specified a number of points:

- In terms of mitigating and adapting to climate change, priority is given to the activities that emit the highest levels of greenhouse gas emissions in Scopes 1 and 2, and have the greatest potential for transformation and contribution to reducing greenhouse gas emissions.
- For the other four environmental objectives, sectors with significant environmental impacts are selected.

ADEO's main activity, retail, is not included in the scope of activities defined to date by the European Taxonomy regulations.

Based on our analysis of the information published by the European Commission, it appears that:

- The proportion of eligible sales and operating expenses (OpEx), representing less than 10% of the Group's OPEX, is not very significant,
- Eligible CapEx is material, mainly due to the Group's property investments.

This breakdown of global eligibility for the Taxonomy is shared by most players in the retail sector.

In its current configuration, the regulations do not allow us to highlight all the initiatives undertaken by the Group, concerning its product offering, its links with its partners and all the actions relating to the energy transition.

[1.2.3 Summary of indicators and reconciliation with the financial statements](#)

On 4 July 2025, the European Commission published a simplification delegated act, which was published in the Official Journal of the European Union (OJEU) on 8 January 2026, confirming its application for 2025. This delegated act authorises the exclusion of economic activities representing less than 10% of the denominator of each indicator (sales, CAPEX, OPEX) in the analysis of eligibility and alignment. ADEO has opted for the materiality option for indicators relating to sales and OPEX.

The following voluntary report therefore assesses ADEO's eligibility by applying the European Commission's delegated acts and the recommendations of the Sustainable Finance Platform (SFP, October 2022).

Work is underway to qualify the alignment of eligible activities. Their purpose is to integrate the analysis of technical criteria and in particular DNSH criteria into ADEO's eligible activities. The alignment rates will therefore be disclosed in future annual reports.

Methodology for qualifying sales (Exemption from reporting)

Definition of the numerator

ADEO's main activities, as a large-scale DIY retailer, are not generally included in the list of activities considered "eligible" by the legislation in force. The regulatory framework, which at this stage focuses on manufacturing activities, largely excludes retail activities, which severely limits the proportion of sales that can be included.

Eligible revenues are mainly those linked to the circular economy (rental, second-hand sales, spare parts, etc.).

Definition of the denominator

Sales correspond to revenue recognised in accordance with international accounting standards in the consolidated financial statements.

Conclusion for the ADEO Group

The proportion of eligible sales representing less than 10% of the Group's total consolidated sales. In accordance with the Delegated Regulation (EU) 2021/2178 on the content of the information to be published, the Group has decided to activate the materiality option and not to publish eligible and aligned sales.

Methodology for OpEx eligibility (Exemption from reporting)

Definition of the numerator

These are direct costs that cannot be capitalised, and mainly include maintenance and repair costs, rents recorded in the income statement, and all expenditure required for the routine upkeep of the assets.

Definition of the denominator

The Group's consolidated OpEx under the Taxonomy do not include all of the company's operating expenses. In accordance with Appendix I of the Delegated Regulation (EU) 2021/2178, they are limited to five specific categories related to the maintenance and operation of assets:

1. Research and development (R&D): Staff costs, consumables and related services.
2. Building renovation measures: Routine maintenance and improvements.
3. Maintenance and repairs: Direct costs associated with the technical maintenance of assets to keep them in good working order.
4. Cleaning and maintenance: Daily site maintenance.
5. Short-term rental: Leases not capitalised in the balance sheet (excluding IFRS 16).

Conclusion for the ADEO Group

Eligible operating expenses represent less than 10% of the Group's total consolidated OpEx in 2025

In accordance with Article 2(1a) of Delegated Regulation (EU) 2021/2178, as amended by Article 1 of Delegated Regulation (EU) 2025/4568, the Group has decided to activate the materiality option and not to publish eligible and aligned OPEX.

CapEx eligibility methodology

Definition of the numerator

The Group reports capital expenditure that can be associated with eligible sales or corresponds to individual investments.

For ADEO, the eligible investments retained by the Taxonomy are the capitalisable costs relating mainly to:

- Real estate (construction, renovation, ownership and rental of buildings).
- Energy efficiency (equipment, measurement systems).
- Non-hazardous waste management (collection, sorting, recycling).
- Renewable energies (solar panels, electric vehicle charging points).
- The increase in rights of use relating to property and vehicle leases (in accordance with IFRS 16).

The Taxonomy activities selected are:

Table 7: Activities eligible for the Taxonomy

OBJECTIVES	ACTIVITIES
CCM / CCA	5. Water production and distribution, wastewater treatment, waste management and pollution control
CCM / CCA	6. Shipping
CCM / CCA	7. Buildings and real estate activities
CEY	3. Construction and real estate activities
CEY	5. Repair services with purchase of spare parts
BIO	1. Environmental protection and restoration activities
WTR	1. Manufacturing activities linked to the use of Water Management Systems

Definition of the denominator

The Group's consolidated Capex corresponds to the acquisition flows recorded in the consolidated financial statements. The denominator is therefore made up of the increase for the year in all tangible fixed assets, including those in progress, and intangible fixed assets.

The Impact Report takes into account 15 Business Units according to the rules presented in "[Scope](#)". The European Taxonomy requires an indicator whose denominator is reconciled with the Financial Statements. However, it was only

possible to carry out an eligibility analysis on the scope of this report this year. We therefore propose the following two ratios:

- An eligibility rate whose denominator corresponds to the Group's consolidated capex
- An eligibility rate, the denominator of which corresponds to the capex consolidated within the limits of the analysis carried out in the Impact Report

Conclusion for the ADEO Group in 2025

Given that ADEO is anticipating its publication - the first regulatory publication is expected in 2028 (for the 2027 financial year) - the tables below are voluntary and are not the regulatory tables.

Table 8: CAPEX eligible for Taxonomy in 2025

in millions of euros (except percentages)

CAPEX TAXONOMY	Amount
Numerator - Eligible CAPEX	760,452
Denominator - CAPEX Total ADEO	1471.18
Eligibility rates	51.69%
Denominator - CAPEX Scope Impact Report	1207.28
Rate of eligibility for the scope of the Report	62.99%

For the Group as a whole, for the companies included in the reporting scope, 63% of Capex achieved in 2025 is eligible for the European Taxonomy.

[1.2.4 Results of the eligibility of ADEO's capital expenditure](#)

The identification of eligible CapEx is based on an analysis of the main sources of investment likely to be linked to the activities defined by the European Taxonomy:

- investments with the greatest sustainable potential as part of the Group's overall property strategy
- the most significant values

Activities relating to transport and waste management are not significant in financial terms, which means that all the work is focused on property activities. Analyses are carried out jointly by the departments responsible for maintenance strategy and property asset development. In concrete terms, the activities observed in the Group are construction and real estate, present through the CCA, CCM and CEY objectives (more specifically CCM activities 7.1 to 7.7).

The combined skills of these teams will be essential in supporting future alignment initiatives.

When analysing property items, assets under construction are recognised in the form:

- of fixed assets by detailed category when an entire site has been accepted, or when all the assets have been brought into service
- of assets under construction by generic category on the basis of invoices and invoices not yet received

The analysis carried out in accordance with the Taxonomy (EU) 2020/852 regulation shows that the eligibility of ADEO's sales and OpEx remains very limited, as retail is not covered by the current scope of the regulation. CapEx, on the other hand, is the main source of eligibility, particularly via property investments.

This initial assessment paves the way for the regulatory obligations to come into force from the 2027 financial year.

2. Climate change

Climate change represents a major challenge for ADEO, both in terms of the operational and physical risks it poses for the housing sector, and in terms of the opportunities it opens up to accelerate the transition to more energy-efficient and sustainable housing. This issue is fully integrated into the "We Make It Positive" strategy, which places the reduction of the carbon footprint and the sustainable transformation of housing at the heart of the Group's business model.

To structure its action, ADEO relies on **its Climate strategy**, supported by the Positive Impacts Global Leader and the Climate and Regeneration Leader. This strategy constitutes the overall framework for managing climate issues for all the Business Units and covers all the Group's emissions (Scopes 1, 2 and 3 and avoided emissions).

2.1 Integrating sustainability performance into incentive mechanisms

The decarbonisation plan is being implemented by Positive Impacts Global Leader. As explained in section [2.3 Integrating sustainability performance into incentive systems](#) [GOV-3] of this document, in 2025, climate-related objectives are taken into account in the medium-term remuneration and incentive schemes for senior executives. The performance share plans include a specific mechanism, known as the "booster effect", which is entirely dependent on achieving the ADEO Positive Index targets.

Furthermore, ADEO encourages each Group company to implement a profit-sharing scheme that incorporates, in addition to traditional financial criteria, measurable quantitative indicators relating to environmental and social issues. They help to mobilise all employees around the Group's overall performance and to translate sustainability priorities into concrete action in the operational management of our businesses.

2.2 Decarbonisation plan to mitigate climate change

Although it does not have a formally defined transition plan, the Group has put in place an operational decarbonisation plan incorporating concrete actions to reduce its CO₂ emissions both on its own operations and on the product offering,

involving all the Group's Companies. In 2025, ADEO has continued to work on structuring its business to ensure it has a comprehensive transition plan.

Each of the Group's companies is responsible for writing its own decarbonisation trajectory and deploying a roadmap aligned with the shared objective of reducing the Group's carbon footprint by 5% a year.

The double materiality analysis confirmed the criticality of this issue for the Group's entire business model, particularly given the central role played by products in its carbon footprint. The environmental impact of products on the market accounts for 96% of Scope 3 emissions, making their design, manufacture, use and end-of-life a key factor in decarbonisation. This challenge underpins the Group's ambition to offer a more resource-efficient, sustainable and energy-efficient offering.

In this context, ADEO has identified the product families with the greatest potential for reduction, structured around the ten priority uses detailed in Pillar 2 of section [2.5 Actions linked to climate change mitigation and adaptation](#). These uses represent the main sources of carbon impact and guide the gradual transformation of the Group's offering.

In response to these challenges, ADEO is deploying a **Climate Strategy** based on three pillars detailed in [2.5 Actions linked to climate change mitigation and adaptation](#):

Pillar 1: Reducing operational emissions

Pillar 2: Developing products with a reduced environmental impact

Pillar 3: Developing energy renovation solutions and making them accessible

This low-carbon strategy, steered by the Positive Impacts Global Leader and the Climate and Regeneration team, is based on internationally recognised methodologies (GHG Protocol, ADEME, IEA, DEFRA). It ensures that the Group's actions are in line with the objectives of the Paris Agreement - limiting global warming to well below 2°C and encouraging efforts towards 1.5°C - and with the European trajectory of carbon neutrality by 2050.

[2.3 Process for identifying the impacts, risks and opportunities associated with climate change](#)

The process for identifying and assessing material issues is described in section 4.1. Procedures for identifying and assessing the IROs in the present document. It was based on an exhaustive measurement of ADEO's greenhouse gas emissions, including the carbon balance for Scopes 1, 2 and 3, as well as avoided emissions.

The Group has also involved its key stakeholders in the process of identifying impacts, to ensure that its strategy is appropriate and consistent with its short-, medium- and long-term climate commitments. The double materiality analysis led to the identification of 10 material impacts, risks and opportunities relating to adaptation to climate change, the Group's carbon footprint, climate change mitigation and energy-efficient home renovation.

Table 9: Impacts, risks and opportunities of climate change

Issues	IRO	Description	Main actions
Adaptation to climate change	Negative impact	Consequences of climate change (heat waves, extreme weather events, etc.) affecting people and their workplaces, with consequences for their health and safety.	<ul style="list-style-type: none"> Monitoring short, medium and long-term climate risks Integrating climate adaptation into local operational policies
Group carbon footprint and climate change mitigation	Negative impact	Operation of ADEO's physical sites contributing to the increase in greenhouse gases (GHG).	<ul style="list-style-type: none"> Energy optimisation for buildings Building a Scope 1&2 emissions reduction trajectory Use of renewable energy
Group carbon footprint and climate change mitigation	Negative impact	The sale of products by ADEO, from the sourcing of raw materials, to the transport of goods, to the production and distribution processes, to the use and end-of-life of products, contributing to the increase in greenhouse gases and the depletion of fossil resources.	<ul style="list-style-type: none"> PCO₂ tool Construction of a trajectory for reducing scope 3 product emissions. Developing products with a reduced carbon footprint Solar Impulse partnership
Group carbon footprint and climate change mitigation	Negative impact	Activities necessary to the life of the company, such as customer travel, employee travel and property investment, all contribute to the increase in greenhouse gases.	<ul style="list-style-type: none"> Transport Plan 2023-2026
Energy-efficient home renovation	Positive impact	Contributing to the decarbonisation of housing through products and services that promote energy renovation.	<ul style="list-style-type: none"> Deployment in 5 key markets Creation of Leroy Merlin Renovation in France
Group carbon footprint and climate change mitigation	Risk	Regulatory changes and requirements relating to GHG emissions, including the introduction of a carbon tax, which could result in penalties and financial costs.	<ul style="list-style-type: none"> Structuring an approach to regulating the border carbon adjustment mechanism
Group carbon footprint and climate change mitigation	Risk	Poor anticipation of consumer expectations regarding the decarbonisation of our products and activities, resulting in misalignment and loss of market share.	<ul style="list-style-type: none"> "Positive Products" strategy Expansion of ranges with reduced impact Circular Businesses policy (detailed in 3.2.7.4.1. Policy on Circular Businesses)
Group carbon footprint and climate change mitigation	Risk	Dependence of ADEO's products and services and its value chain on energy (political instability, electricity shortages, price volatility), resulting in higher financial costs (reflected in purchase prices and invoices)	<ul style="list-style-type: none"> Wind and solar PPA contracts Diversifying the energy mix Investments in the energy performance of our buildings (BREEAM certification, etc.) Investments in energy management systems (EMS) and battery management systems (BMS)

Group carbon footprint and climate change mitigation	Opportunity	Diversification and development of product ranges that consume fewer resources (low-carbon products) and emit less (low-carbon products), enabling ADEO to become more attractive and generate new market share.	<ul style="list-style-type: none"> • Eco-design • High-performance solutions • Emissions avoided
Energy-efficient home renovation	Opportunity	Development of a new commercial activity aimed at improving the energy performance of residents, involving the development of skills for ADEO employees.	<ul style="list-style-type: none"> • Energy renovation • Leroy Merlin Renovation

2.4 Climate change mitigation and adaptation policies

As a world leader in housing, ADEO is taking concrete action to help mitigate and adapt to climate change, in line with its purpose: *"We make home a positive place to live."*

These commitments are set out in **the Group's Climate Strategy**, which is the single reference framework for managing climate issues within the Group. ADEO does not yet have a formal policy for adapting to climate change, but a climate risk analysis is underway, with the support of Carbone 4. This approach focuses primarily on real estate, which is the main asset exposed to the challenges of adaptation. A working group comprising the Expansion Department, the Climate Department, the Risk Department and several Business Units is currently identifying the main vulnerabilities and defining the actions and policies that will complement the 2025 Climate Strategy.

The Climate Strategy covers all of the Group's emissions (Scopes 1, 2 and 3) and is based on the following three pillars:

Pillar 1 - Reducing operational emissions (Scopes 1 and 2)

ADEO is first taking action on its direct emissions by improving the energy efficiency of its buildings, increasing the use of renewable energies and decarbonising the transport of its goods using alternative modes of transport.

Pillar 2 - Transforming the product offering (Scope 3)

The Group then works with its suppliers to design products with a reduced impact, both in terms of how they are manufactured and how they are used, through eco-design, optimisation of the use phase and end-of-life management.

Pillar 3 - Avoiding housing-related emissions

Lastly, ADEO develops and makes available renovation and energy efficiency solutions that enable residents to take control of their energy consumption, thereby contributing directly to reducing greenhouse gas emissions from their homes.

2.5 Actions linked to climate change mitigation and adaptation

The actions taken by the Group to reduce its emissions are based on the three pillars of its climate strategy and cover the Group's entire value chain.

To ensure consistency in its climate action, ADEO has structured a common framework for the Business Units, based on the definition of a single strategy, shared objectives and a common methodology for developing action plans for the three scopes.

1 Reducing operational emissions (Scopes 1 & 2)

Within the scope of sites and operations (Scopes 1 and 2), several companies have carried out significant actions aiming to:

- Optimise energy supply;
- Improve the energy performance of buildings;
- Rationalise freight transport;
- Reduce the use of fossil fuels.

Several Business Units are implementing their own energy efficiency and environmental footprint reduction initiatives.

With this in mind, **ADEO Services** has undertaken a number of energy renovation projects to improve the performance of its buildings and reduce consumption over the long term. At the Terradeo building, this approach is based on drawing up an energy plan and carrying out a Building Management System (BMS) audit, to identify the main areas of consumption and the levers for improvement.

In particular, the teams have replaced the halogen lighting with more efficient LED luminaires and replaced the weather sensors to optimise temperature regulation. Monthly monitoring of consumption, based on data from sub-meters for each type of utility, has been put in place and supplemented by an energy dashboard to facilitate management and the detection of deviations.

Leroy Merlin France has taken a major step forward with the commissioning of a nine-turbine wind farm in the Haute-Marne region, entirely dedicated to supplying energy to its retail outlets in France. Leroy Merlin France was the first company to sign a Power Purchase Agreement (PPA) for wind power, a model hitherto developed mainly in the solar sector. Thanks to the three PPA wind and PPA solar contracts it now has, Leroy Merlin France is in a position to cover almost 70% of the electricity needs of its French retail outlets (pooling of electricity purchases by Leroy Merlin France for all its French retail outlets), thereby strengthening its energy resilience and contributing directly to the reduction of its greenhouse gas emissions.

Leroy Merlin France is continuing to modernise the energy efficiency of its buildings through a number of complementary measures. In 2025, nine sites underwent re-insulation work, while white membranes (reflective roof coverings) were installed on eight shops and one warehouse to limit heat island effects. The re-insulation operations are part of a multi-year plan based on the life cycle of roofs, which has already resulted in the treatment of 35 sites to date.

At the same time, an outdoor relamping programme is being rolled out at 70 sites to reduce lighting consumption.

All new buildings are BREEAM certified⁴. A BREEAM In-Use study is also underway at the Villeneuve, Saintes and Clermont sites, with a report expected by the end of 2025.

In addition, an energy efficiency plan launched in December 2022 (following on from the Ecowatt Rouge plan) provides a long-term framework for adjusting heating and cooling ranges (18-26°C), reducing lighting levels by 30% and controlling usage via the national EMS.

Weldom has installed a photovoltaic power plant at its Manosque shop.

Leroy Merlin Spain has replaced air conditioning units, increased LED equipment (93% of sites, i.e. 136 out of 146 sites) and deployed energy management systems (BMS) covering 75% of the buildings, while continuing to install photovoltaic power plants on 10 new sites, bringing to 41 the number of buildings producing solar energy (41 out of 146, i.e. around 28% of buildings).

In Italy, the retail outlets continued to improve the energy performance of their buildings. **Leroy Merlin and Bricocenter** have deployed photovoltaic installations in several shops and strengthened energy management by integrating energy management systems (EMS) and battery management systems (BMS). The company has also carried out relamping and renovation work on certain heating, ventilation and air-conditioning equipment, while developing building automation.

Tecnomat Italy is pursuing a structured approach, with ISO 50001 certification renewed each year for all its shops and a BREEAM-in-use programme aimed at three new certified shops per year. 9 shops are now certified. The brand is gradually equipping its roofs with photovoltaic panels, where technical or contractual conditions allow, depending on whether the sites are leased or owned.

Leroy Merlin Poland has an ongoing programme to improve energy efficiency, financed by a dedicated annual budget. Priorities include deploying building management systems and modernising heating systems.

In 2025, **Leroy Merlin Romania** began an initial phase of deploying VRV heat pumps in two shops (Târgu Mureş and Ploieşti). This stage represents a partial switchover to these technologies, with an estimated impact of 5 to 10% at Leroy Merlin Romania level, with a view to full deployment planned for 2026.

In partnership with Helexia and Auchan, **Leroy Merlin Romania** has installed photovoltaic panels in 12 shops, representing almost half of its network. These installations cover 27% of the energy consumption of each shop equipped, with the remainder supplied by renewable energy contracts. Thanks to this scheme, the company is reducing its CO₂ emissions by around 2,000 tonnes a year.

⁴ BREEAM (Building Research Establishment Environmental Assessment Method) certification is an international label that assesses and certifies the environmental, social and economic performance of buildings throughout their life cycle.

Leroy Merlin Brazil has installed energy-efficient air conditioning systems in all its shops, in particular through the DIEL scheme, as well as retrofitting existing HVAC installations to reduce energy consumption. All major shops now have AQUA certification in operation, while new sites are EDGE-certified as soon as they are built.

2 Transforming the product offering (Scope 3)

In 2025, more than 95% of ADEO's carbon footprint will come from products sold, i.e. 66 million tonnes CO₂eq. Transforming our offering is therefore an essential part of ADEO's 2025 climate strategy.

The **Positive Products strategy** is the operational framework for this second pillar, guiding product design and raw materials management. All of these guidelines are set out in the operational policies of the Business Units, which ensure the practical implementation of the strategy throughout the value chain.

Using the PCO₂ (Product Carbon Calculator) tool, the Group measures the carbon footprint of each product over its entire life cycle: raw materials, manufacture, use (which appears to be the most emissive stage), end of life. The tool has also identified the most emissive uses, which alone account for 85% of product-related emissions. PCO₂ records more than 2 million references on which a carbon footprint is calculated.

To take effective action, ADEO is focusing its efforts on reducing impacts in these key categories:

Table 10: Most emissive customer uses and low-impact product offering

Customer use	Target impact	Products
Lighting the home	Promoting energy-efficient light bulbs	<ul style="list-style-type: none"> • LEXMAN Class A (LED) bulbs > -65% power consumption vs Class G
Heating the home	Proposing more efficient heating systems that have less impact	<ul style="list-style-type: none"> • Heat pumps and efficient electric radiators • Pellet stoves
Water heating	Innovating with more efficient and high-performance water heaters.	<ul style="list-style-type: none"> • Class A+ water heaters • Flat and connected water heaters > -15% carbon emissions • Equation thermodynamic water heaters for the French market by 2026
Water consumption	Promoting low-flow products	<ul style="list-style-type: none"> • Dual flush toilets • Smart showerheads • Low-flow taps
Cooling the home	Using more efficient air conditioners and moving towards passive cooling solutions	<ul style="list-style-type: none"> • Haier A+++ Equation air conditioning > -11 to 27% emissions

Floor coverings	Reduce the thickness of tiles, use recycled materials or wood	<ul style="list-style-type: none"> • 9mm thick tiles instead of 12mm > -47% carbon footprint • Recycled materials in vinyl floorboards
Wall coverings	Offer bio-sourced or recycled paints	<ul style="list-style-type: none"> • Biomass-balanced paints
Cementing and bonding	Reducing the clinker content of cement	

For the decarbonisation of the product offering, this system is supplemented by **11 climate macro-actions**, common to all BUs, directly linked to the 10 priority uses identified for the product offering and to the Positive Products Strategy. These macro-actions form the operational backbone of climate management and ensure a uniform level of maturity across the international scope.

Taking action on raw materials and end-of-life products:

1. Replacing high-carbon fossil materials with bio-based materials
2. Substituting recycled materials for high-carbon fossil materials
3. Replacing high-carbon materials with low-carbon materials
4. Extending the effective life of products
5. Reducing the weight of products
6. Reconditioning

Influencing product manufacturing:

7. Buy/manufacture products from countries with a low-carbon energy mix
8. Buy/manufacture products from energy-efficient suppliers

Influencing product transport:

9. Buy/manufacture products from countries close to where they are consumed

Influencing the use of products:

10. Offer products that use low-carbon energy/resources
11. Offer energy/resource-efficient products

Having identified the major issues to be addressed to decarbonise our product offering, each Company then works to define its carbon emissions reduction trajectory. As a result, 9 of our biggest contributors to the global carbon footprint have updated their decarbonisation trajectory with regard to these uses.

Here are some examples:

In Italy, **Leroy Merlin** organises workshops with suppliers who market the most emissive products to improve their technical characteristics.

In **Poland**, fossil coal sales have been identified as a priority area. Leroy Merlin Poland is gradually phasing out products with high emissions, in particular fossil coal (already phased out in Warsaw and Krakow), and from February 2024 will no longer promote or advertise fossil fuels. At the same time, work is underway to gradually reduce sales of the most emissive products, such as portable heaters.

In **Spain, Leroy Merlin** has marketed an A+++ rated air conditioner at the same price as a standard air conditioner on the market, to facilitate access to more energy-efficient, lower-emission solutions.

In line with ADEO's climate objectives, the Transport Plan aims to reduce the freight transport footprint by 5% a year. This plan is based on 5 pillars:

- Increase the number of lorries and containers filled;
- Reduce distances travelled by optimising distribution networks and circuits;
- Favour transport by rail or barge;
- Increase the use of biofuels;
- Test the use of alternative energies.

It is also based on a strong principle: the total absence of recourse to air transport for goods, a commitment that is consistent with the decarbonisation trajectory that has been set.

In this area, **Leroy Merlin France** has stepped up the decarbonisation of its flows: 87% of upstream and downstream transport now relies on alternatives to diesel. Carbon intensity per m³ transported was 36% lower at the end of March 2025 than in 2024, and optimisation of the loading rate improved by 4% over the same period.

3 Avoiding housing-related emissions (avoided emissions)

Housing accounts for around 25% of global greenhouse gas emissions⁵, of which:

- Almost 15% comes from energy use (heating, domestic hot water, lighting)⁶;
- 5% of building construction;
- 5% of purchases relating to interior fittings (electrical appliances, furniture, coverings, etc.).

In the European Union, buildings alone account for 40% of energy consumption and 36% of energy-related greenhouse gas emissions.⁷

To remedy this, Directive (EU) 2024/1275 on the energy performance of buildings sets ambitious targets:

- Zero emissions for new residential buildings by 2030;
- 16% reduction in average consumption by 2030 and 20-22% by 2035 for existing buildings;
- 55% of this reduction should come from the renovation of the least efficient buildings;

⁵ Source:

<https://www.carbone4.com/communiqué-myco2-empreinte-moyenne-evolution-methodo>

⁶ Source: IEA and C4 calculations.

⁷

https://www.actu-environnement.com/ae/news/commission-europeenne-strategie-vague-renovations-35-millions-batiments-2030-36308.php4?utm_source=chatgpt.com

⁸

<https://www.touteleurope.eu/fonctionnement-de-l-ue/infographie-financements-que-fait-l-europe-pour-la-performance-energetique-des-batiments/>

- 75% of existing buildings (around 35 million in Europe) to be renovated by 2050.

Faced with these challenges, ADEO is committed to the decarbonisation of housing by helping residents to reduce their energy consumption and emissions through its renovation and energy efficiency solutions.

To help decarbonise housing and reduce the pressure it exerts on the climate, the Group is focusing on five priority markets:

- Insulation products to minimise energy loss;
- Doors and windows for improved airtightness and energy efficiency;
- Modern heating and air-conditioning systems
- Temperature control devices to better regulate and optimise energy consumption;
- Products and solutions for producing energy, such as solar panels.

Local initiatives bear witness to this ambition.

In Poland, the teams take part in events bringing together solution providers and end customers, rely on a specialised external partner to support energy renovation projects and capitalise on external studies.

A number of retail outlets are also stepping up their support for customers in their energy renovation projects. In Poland, Leroy Merlin has launched the "Eco-Home" concept as a strategic market for developing sales of renewable heating, photovoltaic and insulation solutions, with a dedicated Eco-Home advisor in each shop and strong external and in-store communication; an external partner assists customers in putting together their applications, particularly when they are applying for public subsidies.

4 Climate risk management and building adaptation at ADEO

Adapting to climate change is a complementary pillar of the Group's climate strategy, and is gradually gaining ground within the Group. In 2025, ADEO initiated a first project to understand the exposure of its activities to climate risks, with a view to ensuring business continuity. In this first year, only the adaptation of the Group's physical sites is included in the scope.

This initial phase, carried out with the Business Development, Positive Impacts and Compliance teams and two pilot Business Units (Leroy Merlin France and Tecnomat Italy), has enabled us to explore the issue of adaptation and to lay the foundations for a future Group policy.

In this context, a climatic exposure study was carried out on 45% of ADEO's property portfolio - representing the Group's largest insured fixed assets. This study was carried out in the light of 10 climate perils, a time horizon of 2060 and according to two IPCC scenarios: Near-term and mid-term.

The climatic perils studied on our property stock are:

1. Heatwave
2. Cold snap
3. Drought

4. Extreme precipitation
5. Flooding
6. Hail
7. Wind / storms
8. Tornado
9. Earthquake
10. Marine submersion

Following this study, 28 sites - among those most at risk - were visited by our technical prevention advisor. For each of these sites, a financial quantification of the potential loss of income has been assessed in the event of a natural disaster.

Basic actions, to be implemented at all Group sites from a minimum level of exposure, have been defined.

Lastly, all the Companies have a tool at their disposal for carrying out an initial self-assessment of the risks of adaptation on a site. This tool will also be used when new sites are opened.

The actions currently mentioned by the Business Units are essentially local in scope and reflect a gradual recognition of the challenges of adaptation. Here are some examples by type of risk:

Heat waves and fires

The retail outlets are reinforcing the insulation and thermal protection of roofs, improving the management of ventilation and cooling, and adapting working conditions in hot weather. Some companies use reflective coatings or optimise heating-ventilation-air-conditioning systems to maintain thermal comfort. Fire prevention measures are also in place in exposed areas, including protective equipment and regular maintenance of the surrounding area.

Cold snaps and hail

Buildings are gradually being equipped to cope with falling temperatures and the risk of frost: insulation of sensitive installations, anti-freeze devices for water networks, protection of roofs and reinforcement of exposed elements. In some BUs, specific measures have been taken to reduce the vulnerability of equipment such as smoke vents, skydomes and photovoltaic panels.

Flooding and heavy rainfall

ADEO plans to limit the impact of flooding and heavy rainfall. This includes installing retention devices such as watertight doors, raising critical equipment, building slopes to encourage water run-off, installing retention tanks and non-return valves, and drawing up emergency response plans for the most exposed sites.

High winds and storms

The buildings are designed to withstand high winds and storms in accordance with local regulations. This includes reinforcing structures, securing openings and external equipment, and improving monitoring and automation systems to prevent risks in the event of strong winds.

Shrinkage and swelling of clay soils and landslides

Finally, ADEO takes into account the risks associated with the shrinkage and swelling of clay soils and landslides. Before building or renovating, the Companies carry out geotechnical studies to adapt the foundations and protection required according to the nature of the soil and the level of risk. Structural features and stabilisation devices are incorporated where required by the configuration of the site.

2.6. Climate change mitigation and adaptation targets

In line with the Paris Agreements, ADEO is committed to an ambitious decarbonisation trajectory aimed at contributing to carbon neutrality by 2050. With this in mind, in 2026 ADEO will submit the following targets to the SBTi (Science Based Targets initiative) for validation:

- Scopes 1 & 2: Absolute reduction of 63% by 2035 (base year 2021).
- Scope 3 (Products): Absolute reduction of 37.5% by 2035 (base year 2021).
- Supplier commitment: Increase to 50% the proportion of suppliers (by volume of emissions) that have adopted science-based reduction targets.

2.7. Indicators

2.7.1 Energy consumption and mix

Table 11: Energy consumption in MWh

Energy consumption (in MWh)	2024	2025
Fossil fuel energy consumption	271,072	271,770
<i>Of which crude oil and petroleum products</i>	48,912	57,376
<i>Of which natural gas</i>	92,202	108,013
<i>Of which electricity, heat, steam and cooling purchased or acquired from fossil sources.</i>	129,959	106,381
Energy consumption from nuclear sources	129,509	105,198
Energy consumption from renewable sources	520,125	610,568
<i>of which electricity, heat, steam and refrigeration purchased or acquired from renewable sources</i>	499,100	572,961
<i>of which self-generated non-combustible renewable energy</i>	21,025	37,608
Total energy consumption	920,706	987,536

Table 12: Percentage of electricity supplied to our sites by renewable energy sources

Percentage of electricity supplied to our sites by renewable energy sources (in %)	2024	2025	Evolution
Consumption at our sites	65.1%	73.8%	8.7 pts
<i>Of which Stores</i>	67.6%	75.3%	7.7 pts
<i>Of which warehouses</i>	40.3%	56.7%	16.4 pts
<i>Of which internal services</i>	42.8%	65.4%	22.6 pts
<i>Other Buildings</i>	47%	26.5%	-20.5 pts

Table 13: Energy intensity

<i>In MWh/€M</i>	2024	2025	Evolution
Energy intensity	39.4	40.4	2.58%

2.7.2 Scope 1, 2 and 3 gross GHG emissions and total GHG emissions

Greenhouse gas emissions for 2024 have been restated following methodological changes in accounting for emissions from products, waste and indirect purchases.

Table 14: Scope 1 GHG emissions

<i>in t.eq.CO2</i>	2024	2025	Evolution
Scope 1 GHG emissions in t.eq.CO2	33,175	39,164	18.05%

Table 15: Scope 2 GHG emissions

<i>in t.eq.CO2</i>	2024	2025	Evolution
Scope 2 GHG emissions - Market based	161,275	134,756	-16.44%
Scope 2 GHG emissions - Location based	143,776	141,526	-1.56%

Table 16: Scope 3 GHG emissions

<i>in t.eq.CO2</i>	2024	2025	Evolution
Scope 3 emissions linked to our products	59,507,057	67,367,541	13.21%

Table 17: Details of Scope 3 GHG emissions

Scope 3 emissions <i>in t.eq.CO2</i>	2024	2025	Evolution
Goods and services purchased	15,537,687	16,862,819	8.53%
Capital goods	153,430	163,541	6.59%
Activities in the fuels and energy sectors	38,850	49,934	28.53%

Upstream transport and distribution	649,453	493,849	-23.96%
Operational waste	109,657	98,434	-10.23%
Business travel	15,064	16,466	9.31%
Employee commuting	93,012	96,269	3.50%
Downstream routing and distribution	1,098,167	1,339,284	21.96%
Use of products sold	42,636,030	48,976,638	14.87%
End-of-life treatment of products sold	2,026,214	2,179,016	7.54%

Table 18: Total GHG emissions

<i>In t.eq.CO2</i>	2024	2025	Evolution
Total GHG emissions - market based	62,552,014	70,450,169	13%
Total GHG emissions - Location based	64,505,584	72,639,188	13%

Table 19: GHG intensity

<i>In t.eq.CO2/€k</i>	2024	2025	Evolution
GHG intensity - Market Based	2.73	2.88	6%
GHG intensity - Location based	2.82	2.97	6%

Table 20: GMV of Home Index A, B products and products with a carbon score > 25

<i>In €K (excl. Obramax)</i>	2024	2025	Evolution
GMV of products with a Carbon Score > 25	1,718,594.5	3,695,814.06	115%
GMV products Home Index A, B	6,231,488.41	7,085,884.71	14%

Table 21: Avoided emissions from products sold

<i>In t.eq.CO2 (excl. Obramax)</i>	2024	2025	Evolution
Avoided emissions from products sold	3,166,888	4,084,099	29%

3. Water

Water management at ADEO is twofold:

- controlling water consumption at Group sites (shops, warehouses, offices);
- taking water into account in the life cycle of products, as part of the **Positive Products** strategy, *pillar 4 - Integrating functions that improve the environmental performance of the home*. The aim is to encourage the development of innovative solutions and products that enable residents to produce or reduce their consumption of resources during the use phase, particularly energy and water.

It should be noted that the Group's approach to global water management is still in the structuring phase and that ADEO has not yet defined a clear, unified strategy in this area.

3.1. Procedures for identifying and assessing significant impacts, risks and opportunities related to aquatic resources

The process for identifying and assessing material issues is described in section [4. Management of impacts, risks and opportunities](#) in this document.

The double materiality analysis led to the identification of a material negative impact linked to water resources.

Table 22: Water-related impacts, risks and opportunities

Issues	IRO	Description	Main actions
Managing water resources	Negative impact	Water consumption and abstraction in the value chain (extraction of materials, production) and on our sites, contributing to the depletion of water resources to the detriment of local populations (water shortages) and biodiversity (disruption of the water cycle)	<ul style="list-style-type: none"> • Tracking and monitoring consumption. • Deployment of water-saving equipment. • Rainwater management and nature-based solutions. • Water recovery and reuse. • Management of green spaces and watering practices.

3.2. Policies and actions relating to aquatic resources

Although ADEO does not yet have a formal water management policy, increasing attention is being paid to preserving this essential resource. Sustainable management of water resources is integrated into the local operating policies of the Business Units, and throughout the value chain via the Positive Products strategy deployed since 2018. This strategy is steered by a dedicated project manager, in liaison with the quality and regulatory monitoring teams. Multi-disciplinary working groups bringing together in-house experts, Business Unit representatives and suppliers support its deployment, encouraging the sharing of best practice and the identification of areas for improvement.

Several Business Units (Leroy Merlin Spain, Leroy Merlin Italy, Leroy Merlin France, Tecnomat France) have adopted action plans for 2025-2026 aimed at stabilising or reducing their water consumption.

Operational management of water resources at ADEO sites

Water consumption at ADEO sites remains limited overall, and mainly concerns sanitary uses and the upkeep of green spaces, as well as mandatory fire safety tests.

Governance and management

Water management is handled locally by the property, technical and QHSE (Quality, Health, Safety and Environment) departments. An annual consolidation is carried out at Group level by the Positive Impacts Department, guaranteeing consistency and global monitoring.

Tracking and monitoring consumption

All Business Units systematically monitor their water consumption, in line with local regulatory requirements.

Monitoring systems are being rolled out progressively according to the level of maturity of the entities:

Leroy Merlin France has generalised the installation of connected water meters on 100% of its sites, enabling rapid detection of leaks in less than 6 hours, compared with several months previously with traditional systems.

Leroy Merlin Spain, ADEO Services and Leroy Merlin Brazil are positioning themselves as pioneers in the deployment of smart meters and automated monitoring solutions. Other entities use manual statements or monthly invoices, while preparing for the gradual digitisation of their monitoring system.

Identifying areas of water stress

In November, ADEO used the WWF Water Risk Filter tool to map water risks in order to identify sites located in areas of water stress, prioritise mitigation actions and adapt management policies to local contexts.

The mapping covers all the Business Units. The associated action plan, designed to define the priority measures to be implemented, is currently being drawn up. Some Business Units, such as Leroy Merlin Spain and Leroy Merlin Italy, had already undertaken analyses and structured their roadmaps based on the preliminary results of the water risk mapping. These plans include the gradual deployment of water-saving equipment, rainwater recovery systems and the optimisation of existing infrastructures.

Deployment of water-saving equipment

The Business Units are gradually deploying efficient equipment to reduce water consumption in sanitary applications. The most common solutions include low-flow taps, dual-flush toilets and dry urinals installed at Leroy Merlin France, Leroy Merlin Spain and Leroy Merlin Brazil. This equipment is complemented by motion sensors, automatic cut-off devices and rainwater harvesters.

Leroy Merlin Italy has installed dual-flow cisterns and filters on taps to limit wastage.

The widespread use of this equipment still depends on the local context, but its installation is already compulsory in some countries for new openings and renovations (Leroy Merlin France, Leroy Merlin Spain and Leroy Merlin Brazil).

Rainwater management and nature-based solutions

The rainwater management solutions deployed include retention basins (Leroy Merlin Portugal, Leroy Merlin Poland), drainage ditches and floors (Obramax, Obramat, Tecnomat Italy, Leroy Merlin Portugal), green roofs (Leroy Merlin France, soon Leroy Merlin Italy) and a water feature with plants (ADEO Services).

Recovery and reuse of water

In addition to reducing water consumption at source, several Business Units have introduced water recovery solutions that enable water to be reused efficiently for sanitary purposes, watering green areas and cleaning floors.

In 2025, Leroy Merlin France tested a rewilding plan that includes the recovery and storage of rainwater using basins, tanks and other devices. Tecnomat France installs rainwater tanks in its shops whenever possible. The company is also renovating two of its existing rainwater collectors, which are used to supply sanitary facilities.

In 4 of its shops, Leroy Merlin Spain has developed an integrated approach that uses rainwater, as well as water from air conditioners and showers, in toilets and for garden irrigation, significantly optimising available resources.

Leroy Merlin Poland has also set up similar systems, using the water collected for the green areas and, in some cases, for the garden departments.

In Italy, Leroy Merlin plans to install rainwater recovery tanks to irrigate green areas in all its new shops. While Tecnomat Italy is installing rainwater tanks in accordance with local regulations, where these require it.

In Romania too, Leroy Merlin is installing rainwater tanks, as part of the Group's drive to gradually extend the use of these systems. As in Brazil, where Obramax systematically includes the installation of rainwater harvesting tanks for non-potable use in its construction standard.

In Portugal, Leroy Merlin has installed rainwater collection tanks in a pilot shop. In accordance with Portuguese legislation, this water can only be used for irrigation and sanitary purposes. To date, only the pilot shop has this system. The roll-out to the entire network is still under study and is the subject of optimisation proposals.

Optimisation of fire safety systems (sprinklers)

Mandatory fire safety tests (sprinkler operation) account for significant water consumption on commercial sites. Some Business Units, such as Leroy Merlin France, have installed closed loops so that water can be reinjected into the tanks after testing, thus avoiding systematic wastage. Plans for widespread deployment of this system are scheduled between 2025 and 2028.

Management of green spaces and watering practices

The management of green spaces is also a way of reducing water consumption. ADEO implements mulching and landscaping practices that help maintain soil moisture and reduce watering requirements. These initiatives are described in detail in the section entitled "Recovering green waste".

Leroy Merlin Poland is testing the introduction of flower meadows, vegetable gardens and wooded areas in car parks, which require less watering than traditional lawns.

Integration into the value chain

Sustainable water management also applies to the value chain. This global approach is based on compliance with national environmental regulations, the preservation of water resources and the promotion of the responsible use of water in the supply chain.

The Group favours suppliers and production sites that adopt sustainable practices in terms of efficient management of water resources, effluent treatment and limiting pollutant discharges.

Audits and quality control of production sites

Supplier sites are regularly audited according to the ICS(Initiative for Compliance and Sustainability) standard, an international industry initiative that reinforces the social and environmental compliance of supply chains. Carried out by independent, accredited third-party bodies, these environmental audits aim to prevent pollution risks and ensure that water resources are managed in a controlled manner, and more generally that good practice is followed in terms of water management and waste treatment. These audits are an integral part of the commitment and quality control plan implemented in the supply chain.

Eco-design of products

The products marketed are designed to encourage water savings through eco-design criteria integrated into Positive Products policies. Improvement trajectories have been defined for certain sanitary products (flushing toilets, low-flow taps) in line with the ambitions to reduce the impact on water. Working groups have been set up to decide to stop single flushes for the entire WC offering by 2030, giving preference to dual flush systems that offer significant water savings. ^[OBJ]

Measuring water-related impacts using the Home Index

In 2025, ADEO stepped up its monitoring of water-related impacts in the value chain, in particular via the Home Index, which integrates the consumption and impact dimensions of the products it sells. This indicator enables us to measure the progress of our offer towards more environmentally-friendly products, which, among other things, promote water savings in use.

3.3. Indicators

Table 23: Water consumption

	2,024	2,025	Variation

Water consumption	1,483,511	1,570,809	6%
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In 2025 , the Group's sites used 1,570,809m³ of water, an increase of 6% compared with 2024. Consumption linked to the production of materials and products has not yet been quantified at this stage.

4. Biodiversity and ecosystems

Biodiversity is integrated into the Positive Products strategy through 2 pillars that contribute to the preservation of biodiversity and ecosystems:

- *Pillar 1 - Made with sustainable raw materials*, which covers the selection and responsible management of the raw materials used in products. ADEO favours materials that are certified as sustainable, traceable and from environmentally-friendly sources, particularly wood (FSC and PEFC certified). The aim is to reduce the pressure on natural resources and biodiversity.
- *Pillar 2 - Manufactured in compliance with environmental standards*, which requires production to be carried out by suppliers who comply with regulatory obligations in terms of the environment. It aims to minimise air, water and soil pollution, and optimise the use of energy resources.

4.1. Transition plan and consideration of biodiversity and ecosystems in the strategy and business model

ADEO does not yet have a formal biodiversity transition plan at global level. Nevertheless, preserving ecosystems is an integral part of several aspects of the Group's strategy.

Biodiversity is a key pillar of the Positive Products strategy - via the raw materials policy - deployed since 2018, as detailed in section ["5.3 Positive Products"](#) aimed at protecting ecosystems and all forms of life impacted by the production and distribution of products.

At the same time, the preservation of biodiversity is gradually being integrated into the operational property practices of the Business Units, as described in section [4.3. Policies and actions relating to biodiversity and ecosystems](#).

4.2. Procedures for identifying and assessing significant impacts, risks and opportunities relating to biodiversity and ecosystems

The process for identifying and assessing material issues is described in section 4. Management of impacts, risks and opportunities in this document.

The double materiality analysis has led to the identification of three material impacts, risks and opportunities relating to biodiversity and ecosystems, from upstream (supply and production) to the Group's own operations:

Table 24: Impacts, risks and opportunities relating to biodiversity and ecosystems

Issues	IRO	Description	Main actions
Impact of activities on biodiversity	Negative impact	Raw material sourcing activities (mineral, vegetable, petrochemical materials, etc.) and production processes in factories manufacturing ADEO products that contribute to the degradation of ecosystems: degradation of spaces, water,	<ul style="list-style-type: none"> • Environmental audits of factories

		soil and air pollution, overexploitation of resources and water.	
Dependence on ecosystem services and biodiversity	Negative impact	Irrational and irresponsible sourcing of raw materials (e.g. wood, cotton, metal, minerals, energy, etc.) for the manufacture of ADEO products or products marketed by ADEO, without reliable traceability in the value chain and which may lead to the over-exploitation of natural resources and environmental degradation (biodiversity and ecosystem services).	<ul style="list-style-type: none"> • Certified sustainable and traceable raw materials. • Eco-design and circularity.
Dependence on ecosystem services and biodiversity	Risk	ADEO's dependence on raw materials may give rise to risks of regulatory non-compliance (e.g. with the EUDR), a risk linked to the reduced availability and volatility of resource prices, a reputational risk and a risk of non-compliance with consumer expectations (materials, product traceability).	<ul style="list-style-type: none"> • Selection of suppliers committed to rigorous environmental policies.

4.3. Policies and actions relating to biodiversity and ecosystems

Although the Group does not have a formal biodiversity policy, the preservation of ecosystems is integrated into the practices of the Business Units. Each of them develops actions that are adapted to their local challenges, taking into account national regulations and the expectations of their stakeholders.

The governance of these practices is ensured at Business Unit level by the Real Estate and Positive Impacts Departments, which oversee the operational implementation of biodiversity initiatives in their territories. At Group level, an annual consolidation of indicators is carried out jointly by the Positive Impacts Department and the Expansion Department, guaranteeing a global vision and encouraging the sharing of best practice between Business Units.

This deployment is also based on close cooperation with local communities and environmental authorities (particularly in Italy, Portugal and Brazil), which enables ADEO projects to be integrated into local strategies for preserving and restoring biodiversity.

The Business Units deploy actions adapted to their regulatory and territorial contexts.

In France, building projects systematically incorporate the Zero Net Artificialisation (ZAN) regulation, giving priority to draining car parks, retention basins and planted surfaces.

In Spain, Italy and Portugal, experiments are being carried out on green roofs and façades and alternative rainwater management.

In Brazil, regulations impose particular diligence in sensitive tropical areas. Local teams are working with the authorities to limit the impact on endemic species. In some cases, particularly when projects are located near ecologically sensitive areas, environmental impact studies are carried out, enabling the project to be adapted and its effects limited.

Operational management to preserve biodiversity at ADEO sites

Green space management

Recovering green waste

A number of sites have deployed a system that enables them to recycle their green waste by transforming it into a resource for local ecosystems. In particular, ADEO Services achieves a recycling rate of 99.75% for its green waste, which is used as a natural soil improver, wildlife shelter or ground cover to create habitats for small wildlife.

Habitats for local wildlife and pollinators

Specific developments (nesting boxes, insect hotels and beehives) are carried out according to the context of each site.

Leroy Merlin France adapts its practices to the results of impact studies on its sites. Leroy Merlin Poland is deploying insect hotels and taking action to help pollinators.

ADEO Services has installed a beehive along with an educational trail.

Choice of local and resilient species

The Business Units are gradually giving preference to local species adapted to the climatic conditions in their areas, thereby reducing maintenance and watering requirements while promoting local biodiversity.

Leroy Merlin Poland is deploying flower meadows near several shops.

Leroy Merlin Italy is forming part of the landscape in accordance with the greening plan of the municipality of Arese for the new opening in March 2026.

Rewilding and reforestation

Several Business Units are carrying out rewilding initiatives aimed at restoring degraded natural areas or creating new areas favourable to biodiversity.

Leroy Merlin Portugal is organising an annual reforestation programme called "Native Forest Day", combining awareness-raising activities with planting.

Leroy Merlin France is studying the possibility of setting up nurseries on derelict land.

ADEO Services systematically replants dead trees and monitors a planted pond to encourage local biodiversity.

Leroy Merlin Spain is mobilising its employees for tree-planting days. Leroy Merlin Italy is taking part in the "Energia del Bosco" project to restore biodiversity in the mountains.

Green infrastructure and nature-based solutions

Green roofs and walls

Green infrastructure is a way of integrating nature into commercial buildings.

Leroy Merlin France has 6 sites equipped with green roofs, as does ADEO Services.

Removal of waterproofing and permeable soils

The Business Units are gradually deploying solutions that reduce the amount of impermeable soil and encourage the natural infiltration of rainwater.

In Italy, 24 out of 32 shops are equipped with permeable asphalt in Tecnomat Italy's existing stock.

Leroy Merlin Portugal applies a systematic practice with 100% permeable grass slabs and paving stones in car parks, complemented by retention basins sized on a project-by-project basis.

Obramat Spain also installs permeable surfaces in its car parks, helping to improve rainwater management.

In Brazil, permeable areas and draining soils comply with the requirements of local environmental agencies.

Leroy Merlin Poland is replacing asphalt surfaces with paving stones that allow water to infiltrate, known as "biologically active" surfaces, with, for example, a natural retention basin on the Katowice Alpejska site.

Biodiversity assessments and evaluation of ecological sensitivity

A number of Business Units have begun to assess the ecological sensitivity of their sites, making it possible to identify the specific biodiversity challenges in each area and to adapt actions accordingly.

Leroy Merlin France has structured a programme around these 135 sites between now and 2027. The programme is underway, with 15 diagnostics already completed to date.

The brand is also rolling out the Wild Index, a comprehensive assessment tool based on 5 frameworks, 16 themes and 74 criteria, in partnership with Signature Biodiversité. By 2025, 38 of the 102 sites owned had been measured using this index, providing the initial basis for a comprehensive rewilding programme. This analysis identified 17 sites with a score of less than 50/100, which will undergo "light" rewilding in 2026, in line with the requirements of the APER law. The process will continue in 2026 with the measurement of a further 40 sites, and will be completed in 2027 with the assessment of 100% of the sites owned.

Leroy Merlin Italy carried out a diagnostic study with the external consultancy Quantis.

ADEO Services worked with the Ligue pour la Protection des Oiseaux (LPO) to identify the species present and the appropriate protection measures.

The other Business Units do not have a formal diagnosis beyond the mandatory impact studies carried out when new sites are opened.

Integrating biodiversity conservation into the value chain

ADEO selects suppliers and production sites committed to rigorous environmental procedures, including the reduction of pollution and the responsible management of natural resources. This requirement forms part of the Responsible Purchasing Code, as set out in section ["4.1 Code of Conduct for Responsible Purchasing: for the commercial offer"](#), and is aligned with the Positive Product strategy.

Wood and raw material purchasing policies

Since 2025, all products containing wood or derived materials must come from supply chains that are rigorously traced and certified by recognised labels such as FSC (Forest Stewardship Council) or PEFC (Programme for the Endorsement of Forest Certification). These certifications guarantee the sustainable management of forests and compliance with strict environmental and social standards. This Wood and Raw Materials Purchasing Policy aims to prevent illegal deforestation and promote responsible supply chains that respect biodiversity.

The actions undertaken in the value chain are based on several fundamental principles:

Responsible management of raw materials

The Group promotes responsible management of raw materials and natural resources in the supply chain, by encouraging sustainable and certified practices among suppliers. This approach aims to secure ecosystem-friendly supply chains and reduce pressure on natural habitats.

Traceability and certification

Traceability is a central element of the Group's commitment, particularly for sensitive materials with a high risk of deforestation or ecosystem degradation, such as wood, leather and rubber. The Group requires certification for these high-risk raw materials.

Eco-design and circularity

ADEO is developing integrated eco-design policies, encouraging the use of recycled or bio-sourced materials and reducing the pressure on virgin natural resources and the ecosystems from which they originate.

ADEO favours the use of renewable resources from certified sustainable sources, in order to limit the pressure on natural ecosystems and support responsible management methods. By favouring certified raw materials, the Group is helping to structure responsible supply chains and preserve natural habitats and the species they shelter.

All these policies and actions are part of the Positive Products strategy, which aims to reduce the Group's actual environmental impact, in line with the "avoid, reduce and offset" hierarchy. Priority is given to reducing emissions at source, with offsetting measures being considered in addition, either locally or at Group level, as part of specific programmes.

4.5. Indicators

Table 25: Sites near sensitive areas

	2025
Number of sites near sensitive areas	785

In 2025, 785 of the 1,668 sites assessed were located close to an area sensitive for biodiversity. This assessment is based on the WWF Risk Filter tool, for the criteria S6_1 Protected/Conserved Areas (630 sites scored between 3.4 and 4/5), S6_2 Key Biodiversity Areas (337 sites scored between 3.4 and 4/5) and S6_3 Other Important Delineated Areas (0 sites >3.4)⁹.

⁹ Unaudited indicator

5. Circular economy and use of resources

At ADEO, the transition to a circular economy and the use of resources are based on two complementary approaches, encouraging a more sustainable and responsible use of resources:

- **The Positive Products strategy** (transformation of the commercial offering), which orchestrates the continuous improvement of each product family to achieve the Group's overall ambitions in terms of sustainability.
- **Circular Businesses strategy** (development of new circular activities), led by a dedicated team attached to the Positive Impacts teams. Its aim is to transform the Group's business models to encourage the reduction, reuse and recycling of resources.

These two strategies aim to reduce the consumption of virgin resources, minimise waste production and extend product life. They are presented in the following sections [5.3 Positive Products](#) and [5.4 Circular Businesses](#).

The governance of circular economy policies is structured at two levels:

- Group Governance (ADEO Services): defines the strategy, framework, objectives and ambitions of the Circular Businesses, in cooperation with the Business Units.
- Local governance (Business Units): is responsible for the operational execution of activities at local level, adapting them to market contexts and customer needs.

With regard to the organisation of Product Quality, the ADEO Group's Board of Directors has mandated the Director of Supply and Industry to oversee compliance and quality activities relating to commercial product offerings.

This mandate and the resulting responsibilities are formally and legally delegated to the Group Quality Director. The latter is responsible for adapting, deploying and maintaining governance, skills, processes and quality systems on a global scale, ensuring coverage of all commercial product offerings in each of ADEO's business units.

The Group Quality Director delegates his authority and responsibilities to ADEO's Regional Quality Directors and their respective teams. Each regional quality platform is responsible for the governance and quality activities of several ADEO business units.

[5.1. Significant impacts, risks and opportunities and their links with the strategy and business model](#)

As a distributor of home improvement products, the Group has a significant influence on the use of resources through its sourcing choices, the design of its commercial offering and the services it provides to its customers (rental, re-use, reconditioning, repair and recycling).

ADEO sees the circular economy as a vector for value creation and a lever for value preservation.

The preservation of value is based on initiatives aimed at:

- avoiding all forms of material waste
- avoiding the creation of potential waste through better eco-design and optimised management of ranges and stocks;
- limiting the disposal of products that are still usable, through second life, donation or repair;
- recovering residual waste by developing appropriate sorting and recycling facilities.

Value is created through three Circular Businesses (details in [5.4.2 Actions relating to the use of resources and the circular economy](#)):

- **Second life of products:** resale of used products or products with slight defects that do not impair their use;
- **Repairs:** providing solutions, services and spare parts to extend the life of products;
- **Rental:** making products available for one-off or recurring needs, with a preference for use over ownership.

This dual approach enables ADEO to fully integrate the logic of the circular economy into the management of its impacts, risks and opportunities, while strengthening the resilience of its business model in the face of environmental and societal changes.

5.2. Procedures for identifying and assessing significant impacts, risks and opportunities related to the use of resources and the circular economy

The process for identifying and assessing impacts, risks and opportunities is described in section 4 "Management of impacts, risks and opportunities".

The double materiality analysis led to the identification of 3 material impacts, risks and opportunities relating to the circular economy and the use of resources.

Table 26: Impacts, risks and opportunities associated with the circular economy

Issues	IRO	Description	Main actions
New forms of business linked to the circular economy	Positive impact	ADEO is contributing to the development of new sectors dedicated to waste recovery and recycling	<ul style="list-style-type: none"> • Waste management
Eco-design including product lifespan	Opportunity	Improved eco-design of products sold, resulting in an acceleration of innovation within ADEO and the proposal of an offer with different characteristics (less consumption of resources derived from virgin materials and fewer GHG emissions), making it possible to gain market share.	<ul style="list-style-type: none"> • Reduction and eco-design of packaging
New forms of business linked to	Opportunity	Development of circular activities (repair, second-hand, rental, etc.)	<ul style="list-style-type: none"> • Second-life • Rental

the circular economy		generating new commercial opportunities for ADEO and reducing its dependence on resources through the circularity of material flows, enabling it to reduce its financial costs.	<ul style="list-style-type: none"> Repairs
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5.3. Positive Products

Positive Products operational strategy policy

The Positive Products strategy is the operational framework for the Positive Impacts strategy in the commercial offer.

Deployed since 2018 and supported by the Group's Quality teams, it provides the single reference system that governs the design, manufacture, transport, use and end-of-life of products marketed by all ADEO retail outlets. It aims to continuously improve the environmental, social and societal performance of the entire product catalogue.

This strategy is based on three guiding principles, which structure its deployment in the Business Units:

- compliance with environmental, social, safety, eco-design and waste management regulations;
- the application of common global requirements to all suppliers in all Business Units and countries;
- promoting voluntary, innovative and local initiatives to improve product quality and sustainability.

It acts as a backbone for all product chains, and aims to ensure that every item placed on the market contributes to reducing negative impacts while maximising benefits for local people.

To cover the entire product life cycle, the Positive Products strategy is built around eight complementary pillars.

Pillar 1 - Manufactured with more sustainable raw materials: this pillar focuses on the selection and responsible management of the raw materials used in our products. ADEO favours materials that are certified as sustainable, traceable and from environmentally-friendly sources, particularly wood (FSC and PEFC certified). The aim is to reduce the pressure on natural resources and biodiversity, while ensuring a transparent and responsible supply chain.

Pillar 2 - Manufactured in compliance with environmental standards: Production must be carried out by suppliers who respect environmental and social standards. It aims to minimise air, water and soil pollution, optimise the use of energy resources, and guarantee decent working conditions in factories.

Pillar 3 - Transported with a controlled carbon impact: This pillar concerns the upstream and downstream supply chain. ADEO promotes modes of transport with low greenhouse gas emissions, reducing transport distances, optimising transport volumes and limiting the use of fossil fuels.

Pillar 4 - Integrating functions that improve the environmental performance of housing: It aims to design products that save energy and water during their use phase, helping to reduce their overall environmental footprint. This includes

promoting products that consume less energy or water, which also help to reduce user costs.

Pillar 5 - Built to last: To extend product life, ADEO encourages the design of repairable products, with easy access to spare parts and associated services. This limits waste and encourages the circular economy.

Pillar 6 - Made to be recycled: This pillar focuses on ADEO's responsibility for managing end-of-life products. The Group favours products and packaging that can be recycled and repaired, reducing the amount that cannot be recycled.

Pillar 7 - Manufactured with respect for the rights and well-being of women and men: Products must limit their impact on the health of users and workers. This involves the reduction or elimination of hazardous substances, full transparency of chemical properties, and compliance with chemical safety and health regulations.

Pillar 8 - Designed to be safe and manufactured with health-friendly components: This pillar guarantees that working conditions at suppliers' sites respect the fundamental rights, safety and well-being of employees, in compliance with international social standards and legal requirements. It guarantees products that meet safety principles, thanks to conformity analyses, tests by accredited laboratories, audits by independent third parties, systematic technical files for own brands and the use of recognised certifications such as Oeko-Tex or the best VOC health classes.

Wood and raw material purchasing policies

Wood and raw materials purchasing policies are a major lever in ADEO's strategy for using resources wisely. They provide a framework for the responsible origin of wood and other sensitive materials (leather, batteries, metals, etc.) and encourage their substitution by recycled or bio-sourced alternatives. They are directly in line with Pillar 1 - Manufactured with more sustainable raw materials of the Positive Products strategy presented above, of which they represent one of the operational strands.

Details of these policies can be found in section [4.3. Policies and actions relating to biodiversity and ecosystems](#).

Home Index: Product performance monitoring indicators

The performance of product and circular policies is measured using the Home Index, a multi-criteria indicator that assesses the environmental, social and societal performance of products on a scale from A to E, where A is the best performance.

The Home Index is based on 30 criteria covering raw materials, eco-design, recyclability, the carbon footprint of transport, certifications and the results of social audits. It enables product teams to measure, compare and improve the overall quality of products, and to steer choices towards more virtuous products.

The Home Index is both an eco-design lever and a customer information tool (in companies that make it available):

- it enables ADEO teams to involve suppliers in a process of continuous improvement of the social and environmental impact of their products;
- It gives customers a clear and reliable picture of these impacts, to encourage more responsible purchasing (present on 85% of the listings of the Companies deployed).

This indicator is gradually being rolled out to the Business Units. The actions linked to Home Index are detailed in the "Actions" section of this document 5.3.2 [Actions linked to the Positive Products operational strategy](#).

The Products and Sales teams are driving sales growth of these best-performing products at Leroy Merlin companies (France, Spain, Portugal, Italy and Poland), as well as at Tecnomat France, Weldom France and ADEO Services.

Actions linked to the Positive Products operational strategy

REDUCTION AND ECO-DESIGN OF PACKAGING

The Positive Products policy includes a specific section on the gradual reduction of non-recyclable virgin materials in packaging (PVC and polystyrene).

Packaging must encourage the use of recycled secondary resources, in accordance with European regulatory requirements (e.g., Packaging and Packaging Waste Regulation - PPWR).

Eco-design requirements aim to reduce the weight and volume of packaging and encourage its recyclability, while clearly informing consumers about its composition and sorting instructions.

The eco-design compliance rate for packaging produced will reach 97% for own brands and imported products in 2025, up from 2024.

Finally, ADEO is strengthening its commitment to sustainable innovation by renewing its partnership with the Solar Impulse Foundation, founded by Bertrand Piccard. This partnership, launched in 2020, aims to make available clean, cost-effective solutions for a world that respects people's quality of life.

In 2025, the 5th edition of the Positive Home Challenge. The aim of the challenge is to promote product, material and other innovations that meet the expectations of our residents and our Positive Products approach:

- Source, to identify sustainable and useful solutions
- Qualify, to assess solutions (feasibility, impact, profitability, accessibility, etc.)
- Facilitate, to set up a Business Unit and provide support from marketing to deployment

28 solutions have been presented for 2025.

HOME INDEX

In 2025, a number of Business Units stepped up the promotion of the Home Index among their various stakeholders, helping to make this index a lever for transforming the commercial offering and purchasing behaviour, shared by the entire Group ecosystem.

Promoting the Home Index to stakeholders

A number of initiatives have been launched to raise awareness of the Home Index and help consumers make more responsible purchasing choices.

In Spain, Leroy Merlin has run communication campaigns on social networks to raise public awareness of the Home Index and its evaluation criteria.

In-store staff were trained in the Home Index and throughout the year took part in internal challenges designed to raise the indicator's profile at the point of sale. Some shops have set up dedicated podiums or display areas to showcase the products with the highest scores.

In Poland, Leroy Merlin has structured a supplier commitment programme around the Home Index. An initial meeting was held in January 2025 to present the indicator and its objectives. This introduction was followed by regular communications throughout the year, via newsletters and presentations, to support partners in collecting and sharing data. Particular emphasis has been placed on integrating the best-rated products into the evaluation process, thereby enhancing the quality of the information gathered.

Engage Business Units to increase sales of low-impact products

Several Business Units have deployed commercial strategies to increase sales of A, B and C rated products.

In France, Leroy Merlin is working on setting up awareness-raising workshops for its sales teams to encourage them to define precise targets for the proportion of AB/ABC products in their sales action plans. A communication kit has been developed to help shops select and promote top-rated products that offer a clear benefit to customers.

Weldom supports the development of ABC products through a number of marketing levers: in-store operations dedicated to these products, competitions and targeted communication campaigns on social networks.

In Spain, Leroy Merlin has launched a commercial communication strategy that highlights ABC products (representing 75% of references). AB products are highly visible in shops and on the website, and special discounts are offered to loyalty club members.

In Italy, Leroy Merlin has included the sale of Home Index A and B products in its key objectives (OKR). From June 2025, a challenge has been issued to all sales teams to reward the departments that have sold the most Home Index A and B products. The products concerned are identified by the "Responsible Choice" logo in shop and a specific tag on the website and app. To mark Earth Day, the "The right choice counts double" campaign from 22 April to 31 May enabled customers buying A products to collect twice as many loyalty points.

Increasing the visibility of the Home Index for customers

The Business Units have also increased the visibility of the Home Index throughout the customer journey.

In France, Leroy Merlin is working to improve the clarity of the Home Index on its website via three actions: by simplifying the information on the product page, creating a dedicated product tab on AB products, and integrating customer benefits linked to the Home Index directly into the product page.

At Weldom, the Home Index is used in leaflets, digital communications, customer workshops and in-store events.

In Spain, visibility has been boosted by in-store displays (shelving, posters, totems, floor signs) and digital initiatives (home page prominence, Home Index filters). In 2025, the Home Index campaign was integrated into the energy renovation campaign.

The omnichannel teams at Leroy Merlin Spain conducted a specific study on the Home Index to assess the understanding and impact of the tool among customers; the results show that the rating is well understood, clearly visible in-store and perceived as a useful benchmark for identifying more sustainable products.

In Italy, Leroy Merlin has deployed an omnichannel communication campaign in collaboration with internal and external teams: in-store signage, institutional communication in conjunction with the Ministry of the Environment, publications on social networks, a *My Community* channel with a Home Index quiz to reward participants, and interviews in the specialist press.

In Brazil, the Home Index was not yet available to in-house teams until August 2025. Efforts are currently focused on data collection and the implementation of indicators, with a view to a planned launch in 2027 for the Brazilian market.

[5.4. Circular Businesses](#)

Policy on Circular Businesses

ADEO has put in place a policy dedicated to the development of new "Circular Businesses" activities, as part of its positive impact strategy. These activities are based on three models: Second Life, Rental and Repair.

Circular Businesses are genuine economic activities based on three essential principles:

1. **Responding to customer needs** by offering more affordable and responsible alternatives to new products, in line with real market demand.
2. **Creating economic value** through business models that can be replicated and made profitable on a large scale, guaranteeing their sustainability beyond mere experimentation.
3. **Adapting models to local contexts**, in line with the ADEO spirit, taking into account the maturity of markets, Business Units and concepts specific to each company, in order to encourage local adoption of circular activities

Although ADEO is developing all circular models, the Group is prioritising Second Life activities for three strategic reasons. These activities offer the greatest potential for volume growth and large-scale deployment. In addition, the second-hand market is experiencing the strongest growth, driven by changes in consumer behaviour and customers' growing concern for the environment. Finally, unlike repair and rental, which ADEO has historically been involved in,

Second Life activities are new and require the development of specific skills, processes and infrastructures.

The sales generated by the Circular Businesses are included in the ADEO Positive Index (API), the index used to steer the Positive Impacts strategy. As a result, this index is regularly updated by the Business Units.

Action on the use of resources and economy

Circular Businesses - Second Product Life, Repair and Rental - are a key operational lever of ADEO's Positive Impacts strategy.

These business models aim to offer responsible alternatives to new products, create sustainable value and adapt our offerings to local markets according to the maturity of the Business Units.

THE SECOND LIFE OF PRODUCTS

All of ADEO's Business Units are expected to progressively define their trajectory in terms of Circular Businesses, in particular Second Life, in two successive stages.

- Putting back on sale all "non-new" products in the network: customer returns, display products and slightly damaged products. No usable product should be thrown away. These products are resold in shops in dedicated areas and, in time, on the retailer's website, making them as accessible as possible to customers.
- Offering customers second-life products purchased from professional partners or private individuals, thereby developing a structured second-hand offering that complements the new product offering.

At the same time, ADEO is putting in place a quality control framework to guarantee the conformity of second-life products and appropriate digital solutions to facilitate business processes, particularly in shops.

"Almost Perfect" anti-waste initiative

In line with the strategy set out in the Circular Businesses policy, in 2025 ADEO stepped up the deployment of Second Life activities, aimed at offering customers cheaper and more responsible alternatives to new products. These activities focus mainly on the resale of "Almost Perfect" products (products with slight cosmetic defects but fully functional) and the gradual development of refurbished product offerings.

In 2025, Leroy Merlin France will continue to roll out its "Almost Perfect" initiative, present in around fifty shops, and will switch over its entire stock in 2026. To facilitate operational management, the brand has developed a dedicated digital tool to simplify business processes and make them more reliable, for example in terms of quality traceability or performance. At the same time, sales of reconditioned products on the leroymerlin.fr marketplace are growing steadily.

Leroy Merlin Spain is continuing to roll out its "Segunda vita" corners in its network of 90 shops, with a sales concept adapted to the size of each outlet. Deployment will be completed in 2026. The brand also occasionally offers refurbished products, either on its marketplace or directly in certain shops.

Leroy Merlin Poland rolled out its "Outlet" concept, covering all of its 48 shops in just six months. The company was also the first retailer in Poland to launch a nationwide campaign to collect work clothes in its shops. These are transformed into small, practical products (laptop sleeves and bags) for employees and partners. This initiative has attracted considerable interest from other companies. Outlet sales zones now operate in 100% of shops, helping to reduce waste and increase customer engagement in circular economy practices.

After validating "Almost Perfect" tests in 11 pilot shops, Leroy Merlin Portugal has decided to extend the concept to the majority of its network between 2025 and 2026. The brand aims to have 100% of its superstores equipped with "Almost Perfect" areas by 2026, i.e. a total of 20 shops.

Leroy Merlin Brazil, having validated a conclusive test of "Almost Perfect" in 2025, has decided to open the concept in large shops, planned for 2026.

Leroy Merlin Italy and Leroy Merlin Romania are continuing with test phases aimed at adapting the concept to the specific features of their respective markets.

In total, by the end of 2025 and throughout the scope, there will be almost 400 shops offering "Second Life" products. In 2025, the Second Life concept has gone from local experimentation to structured deployment in several countries, with approaches adapted to the contexts of each market.

RENTAL

In 2025, ADEO will continue to deploy and optimise tool and equipment rental services operated by the Group or via specialised partners (such as Loxam in France and Spain, or Boels in Italy), giving customers access to products for occasional use, without incurring the cost and environmental impact of acquisition.

In France, Leroy Merlin has optimised and rationalised its existing rental offer in 145 shops.

Leroy Merlin Spain is extending its rental offer to **36 shops**, with the support of several partners, including **Loxam** (official partner). The offer has also been launched online, supported by **86 collection points** (69 Loxam branches and 17 Leroy Merlin outlets) covering almost the whole of Spain.

In Portugal, Leroy Merlin has structured the roll-out of the rental service by targeting large and medium-sized shops as a priority, representing 33 out of 49 shops.

In Poland, Leroy Merlin has extended the rental service trial to five additional shops, bringing the total number of shops offering this service to eleven.

These deployments illustrate the adaptation of Circular Businesses to local contexts, with Business Units adjusting the pace and methods according to market maturity and customer demand.

REPAIRS

Repair services contribute directly to extending the life of products and reducing waste by avoiding premature replacement of equipment that is still functional.

They are also a lever for customer satisfaction and loyalty, as repairing a product extends its useful life at a lower cost than replacing it.

The quantity of products repaired has increased by 20% in 2025 for own brands and national brands, illustrating the Group's commitment to sustainability.

In 2025, Bricocenter Italy deployed WeCare, a digital solution for taking care of after-sales customers and developing repairs. 7 companies and 550 shops are now equipped. After-sales data is taken into account to improve product reliability and durability.

In 2025, Leroy Merlin France strengthened the accessibility of repair services through two complementary levers: increasing the listing of spare parts on the [leroymerlin.fr](https://www.leroymerlin.fr) with 300,000 references in 27 categories of spare parts, and the growth of repair activities in all shops - +7% of activity.

Leroy Merlin Spain has rolled out the availability of spare parts across all sales channels (shops and website). The brand has also deployed a repair solution with an external partner in the Madrid region for the reconditioning and repair of out-of-warranty products. All our shops are now connected to this partner.

Leroy Merlin Portugal has set up a range of out-of-warranty repair services through three shared repair centres in Lisbon, including the Alfragide centre. These centres offer a full range of services: out-of-warranty repairs, spare parts sales, machine commissioning and 3D printing of parts. Teams are on hand to offer customers personalised advice and demonstrations.

These initiatives reflect the gradual development of repair services within the Group, combining the availability of spare parts for self-repair with the strengthening of professional repair services.

THE CIRCULAR CHALLENGE

The Circular Challenge is an internal call for projects aimed at all ADEO companies. Its aim is to highlight and reward innovative initiatives already being deployed in the field, which are helping to improve product life cycles, optimise resource management and accelerate the transition to more sustainable models.

In 2025, 11 companies presented 34 solutions with high potential, capable of being duplicated and adapted on a larger scale. For the first time this year, Tecnomat France and Tecnomat Italy took part in the challenge.

These solutions were proposed in 5 categories: eco-design, waste reduction, recycling, circular businesses and, for the first time this year, social. In addition, there's a bonus category: the choice of employees who vote for the project that receives the most "likes" on our internal social network.

The winners are:

Eco-design category:

Winner: "100% recycled insulation" by Leroy Merlin Spain. Every year, this solution recycles more than 12,000 tonnes of waste, using no water and guaranteeing impeccable indoor air quality. All at a competitive price, making a sustainable solution much more widely available.

Special mention: "Recycled Newspaper Instruction Manual" by ADEO in China. Production of user manuals from 100% recycled newsprint pulp. Already adopted in China with more than 20 suppliers, this project can be rolled out across all Companies.

Waste reduction category:

Winner: "ReusoGanho - Economia e Sustentabilidade" by Leroy Merlin Brazil. Optimised management of wood skips and recovery of waste pallets through resale. An approach that turns waste into profit, reduces our operating costs and consolidates our environmental strategy.

Special mention: "Water recycle and Nickel reuse of e-plating process" by ADEO in China. This water recycling and nickel reuse system illustrates a closed-loop philosophy, effectively transforming waste into valuable resources while drastically reducing the environmental footprint.

Recycling category:

Winner: "Bales in A(U)CTION!" by Leroy Merlin Spain. By setting up a competitive auction system with local partners, Leroy Merlin Spain has optimised the recovery of its cardboard and plastic bales. This has led to major price gains, lower logistics costs, a reduction in the number of kilometres travelled and the CO₂ footprint, while increasing environmental awareness.

Special mention: "Waste collection area" by Tecnomat France. Implementation of 17 waste collection areas in Tecnomat France shops. Accessible to all, these areas ensure better management and recovery of waste from the construction sector.

Circular Businesses Category:

Winner: "Giving Products a Second Life: Outlet Zones in LMPL stores" by Leroy Merlin Poland. By 2025, Leroy Merlin Poland had deployed "Outlet Zones" in all its shops. The aim is to give a second life to exhibition products, end-of-series products and products with minor defects.

Social category:

Winner: "Mãos à Obra Against Cancer" by Leroy Merlin Portugal. With this project, fabric scraps are being put to good use again by becoming handcrafted creations for patients in the oncology department. Solidarity workshops, bringing together customers and Leroy Merlin teams, enable these items to be sewn and donated to the São João Hospital (Porto). An approach that combines the circular economy and solidarity for the benefit of patients.

Special mention: "DEMARCA QUE VIRA ARTE" by Leroy Merlin Brazil. Recovering decommissioned ceramics to avoid disposal costs and protect the environment. Thanks to a partnership with a local NGO, these products are used for urban renewal, social projects and the creation of handicrafts.

Employees' choice category:

Winner: "Briconight (La Noche de los Talleres)" by Leroy Merlin Spain (a project that received over 1,500 likes from employees). Every year, more than 65 shops in Spain organise "Briconight". This exclusive event gives customers the chance to take part in DIY workshops while learning about our commitment to sustainability.

RAISING AWARENESS AMONG EMPLOYEES AND CUSTOMERS

Several Business Units have set up training and awareness-raising programmes for their employees and customers on environmental issues and the circular economy.

Employee training

In France, Leroy Merlin has implemented an economic action plan to reduce waste and promote second-hand sales and resale, achieving a sorting rate of over 80%. Tecnomat France took part in the Circular Challenge 2025 for the first time.

In Spain, 100% of Leroy Merlin shops and 4 out of 6 warehouses are taking part in the waste reduction project, generating cumulative savings of €1.5 million (until June 2025) on waste bins in warehouses and €20,000 in savings on waste management. Obramat has launched waste management training on its e-learning platform and organised dedicated sessions for logistics teams.

In Italy, Leroy Merlin is continuing its training programme on positive impacts for all employees, with the aim of training 100% of staff. Specific training on rental services was launched in 2025. All employees have completed a compulsory online training course ("Passaporto sostenibile") on circularity and other environmental issues.

In Poland, Leroy Merlin introduced mandatory online training on environmental challenges for all employees in 2025, aimed at raising awareness and providing practical knowledge on sustainability issues.

In Romania, Leroy Merlin is continuing its 2025 training programme by drawing up a three-year training plan.

In Brazil, Leroy Merlin offers a number of online training courses, aimed at both in-house teams and shop customers.

In Portugal, Leroy Merlin provides 100% of its employees with compulsory training on the challenges of sustainable development, with the circular economy forming an integral part of this training.

Raising customer awareness

In France, Tecnomat has provided 17 waste collection areas in the 35 shops it operates.

In Spain, Leroy Merlin is stepping up the awareness-raising and communication generated by the second-life business model, which reduces waste and its environmental impact.

In Italy, Leroy Merlin has created a billboard at the entrance to all its shops presenting the five pillars of the positive impact strategy. In the new shops, a concept called "House of Circularity" brings together all the products and services linked to the circular economy. The brand has also worked on updating the communications around its rental and repair services, with a new media plan scheduled for 2026. In its annual general catalogue, Tecnomat Italy highlights the technical features that improve the environmental impact of its products (for example, water consumption for taps).

In Portugal, some Leroy Merlin shops have dedicated areas for products with sustainable characteristics, with specific communication and presentation. The

website has a space dedicated to information on sustainability, and communication materials on positive features are available for all shops.

5.6. Indicators

Table 27: Percentage of products by lifespan (in years)¹⁰

In %	0-1	1-3	3-6	6-9	9-12	12-15	>15
Product life span	30.2%	54.2%	0.9%	8.6%	2.1%	0%	4%

Table 28: Product repairability¹¹

Product repairability In %	2025
Spare parts for repairability	31.2%
Documentation availability	68.8%
Period of spare parts availability	32.1%

Table 29: Percentage of active product references containing wood or made from wood fibre from responsible sources

Percentage of active product references containing wood or made from wood fibre from responsible sources			
	2024	2025	Evolution
FSC or PEFC chain of control or Preferred by Nature	93.53%	87.67%	-5.86pts

The methodology for the percentage of product references containing wood or made from wood fibre from responsible sources has changed to become more restrictive. Historically, to demonstrate that a wood supply source was from sustainably managed sources, the indicator took into account all FSC or PEFC certified sources, as well as sources that were not certified but verified by Preferred by Nature, a third party. From 2025, ADEO will only count FSC or PEFC certified sources.

Table 30: GMV of Circular Businesses

GMV of Circular Businesses (excl. Obramax) €K	2024	2025	Evolution
GMV of Rental	6,596.39	7,760.59	17.65%
GMV for repairs	2,069.04	2,320.85	12.17%
GMV for the sale of spare parts	7,879.31	6,214.43	-21.13%
GMV of second-hand	16,701.56	33,105.70	98.22%

¹⁰ Unaudited indicator

¹¹ Unaudited indicator

Methodological note on environmental information

The various indicators are reported on the scope of shops (excluding franchisees) and internal departments (including warehouses). Details of the scope of consolidation are given in Chapter 1 "[General information](#)".

Methodological limitations:

As part of a continuous improvement approach, the companies participating in this reporting have increased, wherever possible, the proportion of actual data for each indicator between 2024 and 2025.

For electricity and gas, an estimation method has been defined in cases where the data is unavailable.

- If only one month's data is unavailable, the data is copied from the previous month or the same month of the previous year
- Where data is not available for a site, an annual estimate of the total quantity of energy is made by multiplying the Company's energy consumption coefficient by the surface area of the site in question. The electricity can then be split between renewable and non-renewable electricity.

For water, an estimation method has been defined following the same principles:

- If only one month's data is unavailable, the data is copied from the previous month or the same month of the previous year
- In the case of unavailable data for a site

As part of the change of ESG reporting tool in 2025, ADEO has also updated its database of the various sites it operates. As a result, some insignificant differences in the environmental data may be observed in comparison with the data published in the Non-Financial Performance Statement 2024.

Methodology for climate indicators

ADEO's carbon footprint is calculated in accordance with the principles and guidelines of the GHG Protocol, covering all direct emissions (Scope 1 and 2) and significant indirect emissions (Scope 3).

Scope 1 emissions correspond to direct emissions linked to the combustion of fossil fuels (heating oil, fuel, etc.) and refrigerant gas leaks at Group sites.

Scope 2 emissions concern indirect emissions linked to the consumption of electricity used for heating, lighting and cooling ADEO buildings.

Consumption data is collected from all the Group's companies, then combined with emission factors from official sources: ADEME Carbon Base, International Energy Agency (IEA), Association of Issuing Bodies (AIB), IPCC (AR6) and Cerema. Scope 2 emissions are calculated according to the location-based and market-based approaches, in order to measure both actual consumption and the efforts made by the retail outlets in terms of renewable energy.

Scope 3 emissions cover all indirect emissions generated throughout the value chain. This is calculated by multiplying the activity data by the corresponding carbon emission factor. They are based on the following main categories of emissions:

- Input purchases directly linked to our trial balance.
- Travel
- Capitalisation
- Upstream energy consumption (extraction, infrastructure depreciation and network losses).
- Waste treatment (based on the European waste nomenclature)
- Outsourced freight transport
- Products: the complete life cycle of products (extraction of raw materials, manufacture, use by the consumer, end of life of the product).

Freight transport emissions: The indicator's GHG emissions include indirect emissions from the "upstream" transport of goods and indirect emissions from the "downstream" transport of goods as defined by the decree on greenhouse gas emissions reporting.

Emissions include all freight transport, regardless of whether the cost of this transport is borne by ADEO or a third party.

Scope 3 emissions linked to products: The indicator's GHG emissions include the emissions generated over the product's entire life cycle - i.e. raw materials, manufacture, use and end of life. Transmission and distribution are calculated separately.

The scope for calculating this indicator includes the following entities: Leroy Merlin Poland, Leroy Merlin Spain, Leroy Merlin Italy, Leroy Merlin France, Leroy Merlin Brazil, Leroy Merlin Portugal, Leroy Merlin Romania, Tecnomat Italy, Obramat, Tecnomat France, Bricocenter and Weldom. Obramax data is estimated. This data is measured using the in-house PCO₂ (Product Carbon Calculator) tool.

In 2025, a number of methodological changes have been implemented to calculate Scope 3 emissions:

Products:

- Update of emission factors for raw materials (wood and plastics);
- Revision of usage models for certain products (mobile electric heaters, garden equipment and tools);
- Increase in the emission factor for wood combustion;

Others:

- Harmonisation of DEFRA monetary emission factors for indirect purchases;
- Alignment with the European waste nomenclature and use of EcoInvent factors for end-of-life treatment (replacing ADEME factors).

These methodological changes have a direct impact on the comparability of the 2024/2025 data. In accordance with the requirements of the GHG Protocol, all previous years are recalculated using the new assumptions in order to ensure the consistency of the time series. Emissions for previous years have therefore been restated to include these updates.

"Avoided emissions" refers to reductions in greenhouse gas emissions made possible by the use of products or solutions that emit less than the solutions currently available in the ADEO catalogue. There are currently 5 priority markets: insulation; windows and doors; modern heating and air-conditioning systems; temperature control devices; and energy-generating products and solutions. These efforts complement the greenhouse gas emission reduction targets that ADEO has set itself, and will gradually be extended to the entire scope to fully reflect its contribution to the energy transition.

Energy intensity: this is the ratio between energy consumption and ADEO's Ordinary Business Income (OBI) in MWh/€M. The indicator takes into account sectors with a high climate impact, as ADEO's distribution activities correspond to NACE code G.

Carbon intensity: This is the ratio between scope 1,2,3 location-based then scope 1,2,3 market-based and ADEO's Ordinary Business Income (OBI) in t_{CO2e}/€M

GMV of energy renovation: this is the overall sales volume (including marketplace) of products and services resulting from energy renovation. The services considered are installation services for energy renovation products. Energy renovation is defined as renovation work aimed at structurally improving the energy and thermal performance, as well as the comfort, of a home. Renovation is structural, meaning that the products are fixed to the walls, floors or ceilings (and are therefore not removable). Products from the following markets are included: insulation, doors and windows, heating, ventilation, energy control, energy production. Fixed air-conditioning and heating systems, as well as water heaters, are covered if they fall into one of the top two energy efficiency classes.

GMV of Home Index A,B products: this is the overall sales volume of products with a Home Index A or B grade. The Home Index indicator is detailed in section 5.3. Positive Products. This indicator is calculated only for companies that have deployed the Home Index, i.e.: Adeo Services, Leroy Merlin France, Leroy Merlin Spain, Leroy Merlin Portugal, Leroy Merlin Italy, Leroy Merlin Poland, Leroy Merlin Brazil, Bricocenter Italy, Weldom Intégrés, Weldom Services, Tecnomat France, Obramat Spain, Tecnomat Italy and Leroy Merlin Romania.

GMV achieved with a carbon score above 25: The indicator measures the sales volume associated with products sold with a carbon score above 25. The carbon score is a score awarded to products ranging from 100 (products whose performance enables them to reduce their carbon impact significantly compared with a standard product on the market) to 0 (products whose performance does not enable them to reduce their carbon impact compared with a standard product on the market). The score is calculated using a defined methodology and criteria.

So a product with a carbon score of 25 represents the percentage decarbonisation of a product compared with a market standard. A Carbon Score of 25 means that the product has 25% less carbon than the market standard

Methodology for "Water" indicators:

Water consumption: Total volume of water consumed in cubic metres in 2025 by our sites supplied by the mains water network or other distributors. This indicator does not take into account water collected and recycled internally (rainwater, artesian wells).

Methodology of the "Circular economy and use of resources" indicators

Percentage of active product listings containing wood or made from wood fibre sourced from certified sources: The scope includes all new and existing products listed on the following Companies for which the "Wood" process has been implemented in the Quality management solution: ADEO Productions (ADEO Services), Leroy Merlin France, Italy, Portugal, Spain, Romania, Poland and Brazil, as well as Tecnomat France and Bricocenter Italy, Obramat Spain and Portugal. The indicator measures the percentage of listed products made from wood, or made from wood fibre from certified sustainable sources. It's a methodological change from 2025. Previously, the indicator measured all sources verified by the Preferred by Nature institute.

Product life: The lifespan of the products is calculated on the basis of the manufacturer's warranty for each product. The products are then classified by year.

Product repairability: Product repairability is made up of 3 indicators: the rate of spare parts; the availability of repairability documentation; and the period of availability of spare parts. These 3 indicators are also Home Index criteria and incorporate the Home Index management rules.

GMV of circular businesses: This is the sum of the sales volumes of the following items: GMV of second-life products, GMV of rented products; GMV of repair services and GMV of spare parts.

SOCIAL INFORMATION

ADEO's *Human First* corporate culture puts PEOPLE at the heart of everything it does, giving life to the team and making the Group strong.

It is the fruit of ADEO's history, that of SHARING, its core value. It has an ambitious business plan that gives everyone the opportunity to develop in their profession and to make decisions. It values sharing, right down to the company's results, which are made available to employees to help them grow their assets.

It makes sharing the key value of the experience offered to everyone - employees and customers alike. This culture underpins ADEO's close relationship with its customers, which is built on listening, care, advice and a sense of service.

Finally, it drives action through a unique leadership model that empowers everyone to take the initiative at a local level, working closely with customers, to adapt and to take responsibility for their actions.

1. Number of employees

1.1 General presentation of ADEO Group personnel

At 31 December 2025, the ADEO Group had more than 115,000 employees.

1.2. Interests and views of stakeholders

Incorporating the expectations, views and rights of employees is an essential pillar of ADEO's governance. This commitment is anchored in a global approach aimed at continuously improving safety, health and working conditions, while consolidating a culture of dialogue.

Listening to employees is based on well-established participative processes. Exchanges between management, HR teams, managers, employee representative bodies and employees form a framework for ongoing consultation. The EXI surveys, which are regularly distributed to all the Companies, are a fundamental tool in this approach: they measure commitment and satisfaction, identify priority areas for improvement and feed into local and national action plans. This feedback reinforces the quality of management, team support and the fluidity of internal communication.

The Group is also committed to maintaining a working environment based on trust and transparency, supported by collective agreements, listening platforms and monitoring tools. This commitment is also reflected in the international certifications that illustrate the maturity of our occupational health and safety management systems. Some companies have obtained ISO 45001 certification (Obramat Spain, Tecnomat France, Leroy Merlin Italy), confirming their ability to identify risks, prevent incidents and sustainably improve working conditions.

This approach helps to ensure that we are constantly attentive to employee expectations.

1.3. Significant impacts, risks and opportunities and their interaction with the strategy and business model

The materiality analyses highlight 5 major IROs. The table below shows these impacts, risks and opportunities broken down by issue. The material negative impact relates to human rights issues, while the material risks relate to health and safety, well-being and quality of life at work.

Table 31: Impacts, risks and opportunities associated with the company's employees

Issues	IRO	Description	Main actions
Well-being and quality of life at work	Risk	Increase in psychosocial illnesses leading to absences from work, resulting in lower team productivity, higher financial costs and legal risks (complaints, lawsuits, financial penalties).	<ul style="list-style-type: none"> • Understanding the risks associated with working time • EXI survey • Prevention of Musculoskeletal Disorders (MSD) • Prevention of Psychosocial Risks (PSR)
Well-being and quality of life at work	Risk	Lack of sufficiently attractive working time and work-life balance arrangements for candidates, leading to a decline in the attractiveness of the company, longer recruitment times and higher financial costs associated with recruitment.	<ul style="list-style-type: none"> • Organising working time, flexibility • Strengthening sustainable employment • Developing skills, mobility and internal career paths • Supporting life's significant events
Health and safety throughout the entire upstream value chain (including employees)	Risk	Accidents at work, exposure to health and safety risks at ADEO that could lead to a stoppage of activity (in the event of serious and imminent risk), a drop in team productivity (work stoppages, departures, drop in team motivation), damage to the company's image resulting in the loss of customers/partners, financial penalties.	<ul style="list-style-type: none"> • Investment in ergonomics and handling equipment • Revision of personal protective equipment (PPE) • Securing high-risk areas
Human rights in the workforce	Risk	Highlighting of illegal labour in ADEO warehouses (forced labour, human trafficking, etc.) leading to a bad reputation, loss of customers/partners/suppliers, financial penalties, regulatory non-compliance (in relation to CS3D for example) or even financial losses	<ul style="list-style-type: none"> • Code of Ethical Conduct • Universal Declaration of Human Rights • Conventions of the International Labour Organisation • United Nations Guiding Principles • Communication on Progress (COP) • Due diligence

<p>Human rights in the workforce</p>	<p>Negative impact</p>	<p>Cases of illegal labour (child labour, forced labour, modern slavery) in high-risk countries where ADEO operates, affecting the health and living conditions of the workers concerned.</p>	<ul style="list-style-type: none"> • Code of Ethical Conduct • Universal Declaration of Human Rights • Conventions of the International Labour Organisation • United Nations Guiding Principles • Communication on Progress (COP) • Due diligence
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1.4. Process for interacting about incidents with the company's workforce and their representatives

Social dialogue is a cornerstone of ADEO's social policy, and takes place at local, national and Group level. It guarantees the expression, consultation and active participation of employees on matters affecting their working conditions, health, safety and professional development. It contributes to internal cohesion, preventing employment-related incidents and strengthening collective performance.

At Group level, social dialogue takes place through two bodies:

- the Group Works Council, which meets every year in November to bring together staff representatives (whether unionised or not) from the French companies,
- and the IDIC (International Dialogue and Information Committee), which brings together employee representatives from the Group's main companies (in all countries) every June.

These bodies provide an ideal forum for strengthening understanding of the Group's strategies and economic and social situation. They provide national and local elected representatives with an overall vision that informs and strengthens the exercise of their responsibilities on the ground.

Active listening to employees: the Employee eXperience Index (EXI)

Since 2019, ADEO has been deploying a structured direct listening system: the Employee eXperience Index (EXI).

Implemented twice a year with all employees, it measures employee commitment and satisfaction through internal surveys.

The results show that:

- The participation rate, which remained stable between 70% and 75%, bears witness to the employees' active involvement.

- The eNPS score (Employee Net Promoter Score) increased from 42 points in 2021 to 50¹². An increase of more than 10% in a turbulent environment. This trend confirms a consistently high overall level of satisfaction compared with other global retailers.

The EXI results make it possible to identify the strengths of ADEO's social model, as well as the priority areas for improvement. These lessons feed into local action plans and employee/management negotiations.

Some companies supplement EXI with additional measures such as local "Pulse" surveys in Portugal, shop monitoring workshops in Brazil and the EXI Action Plan Awards in Spain.

1.5 Procedures for redressing negative impacts and channels for company workers to raise concerns

ADEO uses secure reporting systems to enable employees to report any shortcomings. These tools ensure that alerts are dealt with rigorously, with the aim of correcting situations that have deteriorated and, where necessary, providing compensation for any damage identified.

Ethics alert system

ADEO provides a centralised, confidential, secure and anonymous (according to the choice of the third party) ethics alert system, accessible to employees, service providers and suppliers. It allows reporting of any suspicion or violation of applicable laws and regulations, human rights, fundamental freedoms, health, personal safety or the environment, and the principles of the Code of Ethical Conduct.

Hosted on an external platform, it guarantees the confidentiality of alerts, the protection of personal data and the absence of any sanction against an employee who issues an alert in good faith. This channel is presented in chapter 4, section 3. Corporate culture and business conduct policies.

Employees can also talk directly to their managers or Human Resources teams, contact employee representatives, Ethics Committees or specialist advisers (health and safety, harassment, ethics), or express their views via regular surveys such as EXI.

Listening and counselling services include online consultations, sometimes extended to families, to support situations linked to psychosocial risks.

These tools enable irritants to be identified quickly and action plans to be adapted.

¹² The method used to calculate ADEO's overall eNPS has been modified to bring it into line with that used by each company. Previously, and until the end of 2024, ADEO's overall eNPS was calculated as a weighted average of the eNPS of each business unit, based on their respective headcounts. From now on, the calculation rule will be standardised for all areas: the eNPS corresponds to the percentage of promoters minus the percentage of detractors for each area.

The procedure for dealing with concerns varies from company to company. Generally, concerns are reported to managers and/or HR, and in more sensitive situations, confidential alert systems are used. An investigation process is then launched, often involving ethics committees or internal managers, to analyse the admissibility of the request and apply the appropriate actions, including remedies.

Feedback is systematically provided to employees, often by email or via the alert channel, while respecting confidentiality. Measures exist to protect against retaliation, notably through internal procedures and legal guarantees, with post-alert monitoring by certain players.

Awareness, control and continuous improvement systems

ADEO is continuously strengthening the transparency, consultation and local roots of its social policy, using a number of levers.

Training in the Code of Ethical Conduct is a central pillar of this approach, reminding employees of expected behaviour, ethical principles and the reporting mechanisms available to them. The Code's governance procedures, its deployment and its link with the Alert Channel are described in detail in the Governance section. Some countries have strengthened monitoring systems, such as the Ethics Committee in Poland and the monthly reports on training rates distributed to shops in France and Italy.

They are complemented by awareness-raising campaigns tailored to local contexts, disseminated through a variety of media (web series, educational fact sheets, themed videos, social networking campaigns), as well as by the involvement of networks of ambassadors and managers who are responsible for implementing actions, raising awareness among teams and monitoring results. These local relays help to ensure that practices are consistent across entities.

Finally, annual self-assessments, such as the one carried out in Brazil with the Instituto Ethos, measure the maturity of compliance systems and feed into the continuous improvement process.

All these measures reflect ADEO's desire to guarantee a safe, ethical and participative working environment, by strengthening ADEO's ability to prevent, detect and correct negative impacts on its employees and its ecosystem.

1.6. Respect for human rights

Policy on respect for human rights

Human rights are a key pillar of ADEO's social framework and a material issue identified across the entire value chain in the impact, risk and opportunity matrix.

ADEO's social policy is based on a robust international framework that guides all the Group's practices in all the countries where it operates. It is based on:

- compliance with fundamental international standards:

- Universal Declaration of Human Rights.
- United Nations Guiding Principles on Business and Human Rights

- Conventions of the International Labour Organisation (ILO)
- United Nations Guiding Principles. This commitment is reaffirmed every year in the *Communication on Progress (COP)*, in which ADEO confirms its contribution to the UN's ten principles of sustainable development.
- United Nations Global Compact and Sustainable Development Goals (SDGs)
- UN Women's Empowerment Principles
- Global Business & Disability Network of the International Labour Organization

This framework structures all internal practices in terms of ethics, respect for human dignity, the fight against all forms of harassment, discrimination or illegal employment, and guarantees freedom of association, social dialogue and decent working conditions.

- **the Code of Ethical Conduct**, common to all Group Companies. It defines the behaviour expected individually and collectively, and provides a confidential and anonymous alert system open to employees, service providers and suppliers. This approach extends throughout the value chain via a Supplier Code of Conduct and due diligence, which prohibit forced labour and child labour, and impose decent working conditions and the prevention of human rights abuses. ADEO applies requirements that sometimes exceed local legislation when the latter is less protective.

These requirements also underpin ADEO's social commitments in terms of health and safety, diversity, inclusion, well-being, skills development and autonomy.

Measures addressing significant impacts, measures to mitigate significant risks and capitalise on significant opportunities relating to human rights

Actions taken to prevent human rights abuses in the workforce include systematic investigation procedures in the event of an alert, the implementation of appropriate corrective measures and monitoring by the Ethics Committee. The management body actively contributes to raising awareness and disseminating the Code of Ethical Conduct among employees and managers, in order to strengthen understanding of human rights obligations and ensure uniform adoption of the ethical framework throughout the Group.

1.7. The working environment

Working environment policy

ADEO's Strategic HR Plan brings together the strategic orientations and key policies designed to develop, engage and retain employees in line with the Human First strategy and Positive Impact objectives. It provides a shared framework that guides all the Group's Companies.

Built over a three-year horizon, it is based on several strategic levers, each broken down into "booster" actions, global actions steered by the Group's vertical teams, and local actions implemented by the managers and HR teams of each company. This triptych combines global coherence with adaptation to the realities of each country.

It is a dynamic roadmap, steered by the Group's Human Resources Department. It is developed jointly with the Group's HR leaders and updated annually to take account of internal and external developments.

Its governance is based on a hybrid model: the Group Human Resources Department sets the strategic guidelines (the HR strategic plan) and ensures that they are consistent, while the HR leaders of the various entities adapt them to their operating context.

Monitoring is carried out using key indicators such as the ADEO Positive Index (API), which measures environmental and social performance.

The implementation of HR policies is therefore largely decentralised, with each Group company responsible for adapting the global HR Strategic Plan to its own local cultural, economic and legislative specificities. This autonomy fosters managerial proximity in line with our "Human First" culture.

The ADEO Positive Index (API)

This index tracks the pace of implementation of the Group's environmental and human performance. In 2025, it is based on thirteen key indicators presented in section [3.1 Strategy, business model and value chain](#). Six of these relate specifically to human development: the frequency rate of workplace accidents, the proportion of women executives and site managers, the stability index, the internal promotion rate, the average number of hours of training per employee per year, and the Employee Net Promoter Score (eNPS).

Regular monitoring of these indicators provides an objective measure of the progress made by companies, and is an essential lever for encouraging them to continue and step up their efforts in terms of social and environmental performance.

Actions concerning significant impacts, actions to mitigate significant risks and seize significant opportunities concerning the working environment

THE "WORKING TIME" ACTION PLAN

The aim of the Working Time Action Plan is to achieve a lasting improvement in work-life balance, by adapting work organisation to the operational realities of the various business lines and preventing the risks associated with poorly managed workloads or flexibility. It is fully in line with the "Positive Well-being" strategy, which guarantees a healthy, stable working environment that is conducive to employee fulfilment.

1. Understanding the risks associated with working time

Feedback from the Business Units highlights a number of risks: sometimes excessive workloads, increased stress, atypical working hours and difficulties in reconciling professional and personal life. These realities can lead to work-related fatigue and stress.

There has been a rise in absenteeism, particularly in France and Italy. In 2026, this indicator will be monitored in greater detail to specifically track absenteeism due to illness.

To objectify these situations, companies rely on a regular measurement combining:

- The EXI internal survey, which identifies irritants and major trends,
- HR tools such as working time observatories or time tracking systems (France, Portugal, Italy)

In several countries, this analysis has led directly to corrective action. Leroy Merlin France has launched a national action plan following a year of monitoring working time alerts, with targeted training for managers.

Leroy Merlin Spain has introduced a quarterly check on overtime and undertime, enabling the balance to be readjusted on a regular basis.

Leroy Merlin Poland is stepping up planning and recruitment to spread workloads more evenly.

Leroy Merlin Portugal has introduced training on working time legislation and improved planning tools.

In Brazil, awareness of the importance of breaks and the appropriate use of the ethical channel have been stepped up to reduce overload situations.

2. A harmonised framework for organising working time

Most entities have a written policy or collective agreements governing working hours, structured around common principles:

- protect rest periods;
- guarantee the right to disconnect;
- encourage forms of flexibility adapted to the teams;

This is achieved through measures such as teleworking - generally up to two days a week for support functions - flexible working hours, charters on the right to disconnect and protocols for night and weekend work, which are now widely formalised.

Overtime is supervised and monitored using time and attendance systems (KRONOS, SISQUAL, TAC-TIC), which make it possible to supervise overtime precisely and guarantee compensation in accordance with local rules.

Several recent initiatives have strengthened this framework in countries where it was necessary to stabilise practices.

Leroy Merlin Portugal has strengthened legal and collective compliance, and supported flexible working hours and the right to disconnect.

In Poland, the updating of the telework framework has clarified the organisational rules.

Finally, contractual flexibility is also a major lever, as many Business Units (Spain, Italy, Portugal, Tecnomat France and Italy, ADEO Services) offer the possibility of moving from part-time to full-time work, which is essential for job security and career development.

Forums for dialogue, such as the workload discussion group set up at Tecnomat France, enable us to adjust the organisation as closely as possible to the situation on the ground.

"SECURE EMPLOYMENT" ACTION PLAN

The "Secure Employment" action plan is part of ADEO's commitment to strengthening the Group's professional stability and attractiveness at a time when certain sectors, particularly logistics and digital, are experiencing high staff turnover and recruitment difficulties (France, Spain, Poland, Portugal, Brazil). The initiatives undertaken in 2025 will focus on four key areas: sustainable employment, loyalty and recognition, development and mobility, and career support.

1. Strengthening sustainable employment

ADEO Companies always favour full-time permanent contracts, considered to be the benchmark model for stabilising teams. Several Business Units have stepped up the conversion of fixed-term contracts into open-ended contracts where conditions allow, notably in Italy, Poland, Portugal and at Weldom Intégrés. This approach is helping to improve retention, which is already visible in countries where staff turnover has fallen significantly by 2025.

2. Retaining and recognising employees

Retention is based on policies that combine pay rises, value sharing and recognition of skills, as in France, Spain and Italy. Some companies have undertaken targeted actions in 2025: Leroy Merlin France has launched a specific action plan on overall staff turnover and staff turnover of less than one year; Leroy Merlin Portugal has reviewed its departure process and strengthened its employee benefits; Leroy Merlin Spain has taken action on work-life balance.

3. Developing skills, mobility and internal career paths

Career management is based on structured systems that encourage internal promotion and mobility, supported by development tools that have already been widely deployed (Spain, Italy, Poland, Portugal, Weldom Intégrés).

The Group deploys talent identification and support programmes on a global scale, such as **Boost'Her** (dedicated to female leadership) and **HIPOs** (dedicated to future managers).

In addition, there are a number of emblematic local initiatives:

- in Italy, the "WE LEADERS" management training course;
- in Portugal, the MOVE career programme

Employees on short-term contracts also benefit from systematic access to training, in order to ensure equal opportunities and secure their professional development.

4. Supporting career paths and professional development

Support for employees has been strengthened through the Validation of Prior Learning, mentoring and coaching, deployed in France, Spain, Italy, Portugal and Brazil. Weldom Intégrés has set up systematic exit interviews to understand the causes of resignations. In addition, some companies have developed innovative practices, such as the TroliD neuropsychological assessment in Poland to ensure that certain candidates are recruited safely, and a new training platform in Italy.

[1.8. Health, well-being and quality of life at work](#)

Policy on well-being and quality of life at work

The section devoted to Health and Well-being is part of the overall strategy initiated by ADEO to protect the physical and mental health of its employees and promote a safe, stable and caring working environment. Since 2023, this strategy has focused on four priorities:

- the prevention of Musculoskeletal Disorders (MSDs): through ergonomic risk assessment, training in movements and postures, and the redesign of workstations. Ergonomic risks are identified at a very early stage in the value chain, when products are being designed or suppliers are being sought.
- the prevention of Psychosocial Risks (PSR): by carrying out psychosocial studies and raising awareness among managers, training them to identify the warning signs of deteriorating work situations, considered toxic for mental health, so that they can intervene as quickly as possible.
- the development of well-being: by encouraging face-to-face time for socialising and moments for breathing and disconnection as part of working time. This approach is reflected in the layout of spaces, the introduction of health routines and the regular dissemination of prevention content in a variety of formats
- supporting life's significant events: Each company defines a course of action to maintain links with absent employees and prepare for their return, while at the same time putting in place measures to support parenthood, employees who are carers or those facing financial difficulties linked to their health. This support also includes easier access to specialist external support, such as psychological or social assistance, whenever necessary.

Actions concerning significant impacts, actions to mitigate significant risks and seize significant opportunities concerning well-being and quality of life at work

THE "HEALTH AND WELL-BEING" ACTION PLAN

1. Prevention of Musculoskeletal Disorders (MSD)

The prevention of MSDs is based on a set of measures that are widely deployed throughout the Group. Training in movements and postures is systematic (Leroy Merlin France, Weldom, Bricocenter Italy, Tecnomat France), while some entities use specialist professionals to support teams on a day-to-day basis, such as physio-coaching at Leroy Merlin Spain or the presence of physiotherapists in Obramat Spain shops.

In addition, investments in equipment are helping to reduce hardship, through the introduction of lifting systems, manipulators and sliding shelving (Leroy Merlin Poland, Obramat Spain, ADEO Logistics Iberia). Several Business Units are also incorporating ergonomic criteria into the design of products and fittings (Tecnomat France, Weldom), reinforcing prevention at source.

2. Prevention of Psychosocial Risks (PSR)

In 2025, the prevention of PSR has been significantly strengthened. Some entities carry out compulsory regular assessments, while psychological support services,

help lines and digital platforms have been developed or extended (Leroy Merlin France, Spain, Portugal, Romania, Weldom Intégrés and Weldom Services).

Training for employees, managers and HR teams is a key lever: e-learning modules, workshops on detecting weak signals, managing emotions, raising awareness among managers or HR teams (Leroy Merlin Portugal, ADEO Services, Leroy Merlin France). Leroy Merlin France is rolling out a comprehensive programme to combat harassment and psychosocial risks.

Some BUs are structuring their approach around comprehensive mental health and well-being programmes, such as Wellbeing 3.0 at Leroy Merlin Spain or Mindgram at Leroy Merlin Poland. Leroy Merlin Brazil is continuing its "Inner Strength" personal development initiatives.

3. Developing well-being at work

Several Business Units are implementing initiatives to improve the overall well-being of their employees. At Leroy Merlin Spain, the "Healthy Box" plan structures support around four dimensions (physical, mental, financial, social), with regular diagnoses and associated action plans. At Leroy Merlin Brazil, rest areas, cafeterias and psychosocial assessments for at-risk jobs complete the prevention package.

Some entities also encourage physical activity through local partnerships (Leroy Merlin Portugal, Leroy Merlin Brazil), helping to reduce the pain associated with prolonged postures.

4. Supporting life's significant events

Support for life's significant events completes the strategy by supporting employees in personal situations that can threaten their health or equilibrium.

All Business Units guarantee access to occupational medicine, some with an in-house medical presence (Portugal, Romania, Tecnomat Italy, Bricocenter Italy) and annual vaccination campaigns (Italy, Portugal).

Structured measures have been put in place: maintaining links in the event of prolonged stoppages, adapting workstations to facilitate return (e.g. Obramat Spain), support for parenthood, support for carers or in the event of health-related financial difficulties, and easier recourse to external professionals (psychologists, social workers).

A number of emblematic programmes illustrate this commitment: "Mother's Love" in Brazil to support young mothers, psychological consultations open to families (Leroy Merlin Portugal, Leroy Merlin Romania, Tecnomat Italy), and the possibility of part-time work for managers with children under one year old (Tecnomat Italy).

1.9. Safety of ADEO employees

Employee health and safety policy

ADEO is deploying a safety strategy that forms the common foundation of its Health & Safety policy, with a clear ambition: zero accidents and zero occupational illnesses.

This strategy is based on five pillars: compliance with legal rules and clear standards, global and local distribution, measurement and analysis of data, ongoing control and transparent communication.

All ADEO companies and their ecosystems (employees, customers, suppliers, craftsmen, transporters) are committed to this approach.

The Safety strategy, integrated into the Code of Conduct, is the roadmap that guides the entire Group towards the ambition of zero accidents and zero occupational illnesses. It structures collective action around a "glocal" approach: each of the 115,000 employees is seen as a leader in his or her own safety and that of those around him or her, with the support of Safety Leaders, HR, non-financial performance and communication teams and experts such as ergonomists and psychologists. This approach ensures that the safety plan is uniformly adopted, while allowing it to be adapted to the context of the Business Units.

The safety policy is also based on three levels of governance:

At a global and shared level, the ADEO Safety team (led by the ADEO Safety Leader) and the ADEO Safety Committee (comprising Global Leaders, Company Safety Leaders and the Chief Executive Officer) define the strategy, regulatory framework and initiatives required to achieve the goal of zero accidents.

At local level, each Company appoints a Safety Leader with the necessary resources and authority to implement the safety policy. Ultimate responsibility lies with the BU Leader, supported by safety technicians and Safety Ambassadors on the ground.

At every level, implementation is based on collaborative work with departments such as Supply Chain, Products Offer & Industry and Positive Impact, to integrate safety, health and well-being into all operational processes.

This governance is complemented by an audit and internal control system to ensure that the framework is applied and that continuous improvement is achieved.

Actions concerning significant impacts, actions to mitigate significant risks and seize significant opportunities concerning the health and safety of employees

SAFETY ACTION PLAN

The year 2025 marks a significant step towards the adoption of international health and safety management standards. Seven Business Units are now ISO 45001 certified, including Leroy Merlin Portugal (which has extended the scope of its ISO 45001 certification to 24 sites), Leroy Merlin Spain, Tecnomat Italy, two Leroy Merlin France shops, Leroy Merlin Brazil and Leroy Merlin Italy. Other Business Units are currently engaged in a similar process.

ADEO's safety strategy is based on four pillars: prevention, training, organisation and rapid response to incidents. Each Business Unit deploys concrete actions, guided by rigorous data management using TF1 to TF5 indicators. These indicators

make it possible to identify risky behaviour, dangerous conditions and near misses, so that policies can be adjusted and prevention stepped up.

Reinforced prevention measures

ADEO companies are stepping up initiatives to reduce risk:

- regular site audits;
- investment in ergonomics and handling equipment;
- revision of personal protective equipment (PPE);
- securing high-risk areas.

In 2025, a procedure targeting shops with a high accident rate enabled 86% of them to reduce their frequency rate, with an average improvement of 44%. A 5-day alert system has also been introduced: any serious accident triggers immediate sharing at Group level and a global audit via Nexus, to avoid any repetition.

Training, a key lever

ADEO provides training in movements and postures, ergonomics, handling heavy loads, dealing with incivilities and using PPE. Several Business Units (Tecnomat Italy, Leroy Merlin Italy and Obramat Spain) use e-learning modules. The managerial leadership programme, launched in 2024, will be extended to all executives, managers and logistics teams in 2026. The professionalisation of Safety roles is progressing with personalised training, digital modules and coaching. The inclusion of safety criteria in executive remuneration and initiatives such as the Club des 1000 reinforce this commitment.

A structured organisation and a shared culture

Each Business Unit appoints full-time Safety Leaders and adapts its structures to its size. The ADEO International Safety Committee ensures global consistency and the dissemination of best practice. The strategy extends to the entire value chain: suppliers, external partners (craftsmen, transporters) and customers are integrated into the safety standards.

The safety culture is fostered by daily safety briefings, site visits, local and global campaigns, and unifying events such as World Safety Day and the Safe Place to Work awards.

Significant results by 2025

- TFI (lost-time accidents): 10.3, down 22% since January and below the annual target of 10.5;
- Severity rate: -9.7%;
- Occupational illnesses: -45%;
- No fatal accidents.

1.10 Key figures

Social indicators are published in the Adeo Positive Index under the "Human Development" pillar. These are the frequency rate, stability rate, female manager rate, internal promotion rate, number of hours of training per employee and the Employee NPS. These indicators are published in Table 3 ["Results of the Adeo Positive Index indicators in 2025"](#).

1.10.1 Characteristics of company employees

At the end of 2025, ADEO's workforce will be 44% female, 56% male, with a proportion of employees identifying themselves under another category or not wishing to declare their gender.

Table 32: Breakdown of employees by age, gender and sex

Breakdown of employees by age and gender	2024	2025	Evolution
Workforce at 31 December 2025	105,542	109,176	3.44%
Breakdown by age			
Less than 25 years old	13,111	12,689	-3.22%
aged 25 to 34 inclusive	30,155	30,595	1.46%
aged 35 to 44 inclusive	31,240	32,087	2.71%
aged 45 to 54 inclusive	23,256	24,755	6.45%
55 and over	7,780	9,050	16.32%
Breakdown by gender			
Men	58,427	60,644	3.79%
Women	47,115	48,532	3.01%

Table 33: Breakdown of employees by contract

Breakdown of employees by contract	2024	2025	Evolution
Workforce at 31 December 2025	105,542	109,176	3.44%
Breakdown by contract			
Fixed-term contracts	7,449	7,245	-2.74%
Open-ended contracts	97,157	101,966	4.95%

Table 34: Breakdown of employees by geographical area

Breakdown of employees by geographical area	2024	2025	Evolution
France	35,119	34,600	-1.48%
<i>of which Leroy Merlin France</i>	29,302	28,612	-2.35%
<i>of which Bricoman France</i>	2,235	2,169	-2.95%
<i>of which Weldom Services</i>	589	625	6.11%
<i>of which Weldom Intégrés</i>	692	669	-3.32%
<i>of which Adeo Services</i>	2,301	2,525	9.73%
Spain	24,051	24,931	3.66%
<i>of which Leroy Merlin Spain</i>	17,720	17,755	0.20%
<i>of which Obramat</i>	6,331	7,176	13.35%

Italy	14,415	14,505	0.62%
<i>of which Leroy Merlin Italy</i>	8,029	7,741	-3.59%
<i>of which Bricocenter Italy</i>	1,491	1,546	3.69%
<i>of which Tecnomat</i>	4,895	5,218	6.60%
Poland	12,699	12,601	-0.77%
<i>of which Leroy Merlin Poland</i>	12,699	12,601	-0.77%
Brazil	9,876	12,628	27.87%
<i>of which Leroy Merlin Brazil</i>	9,876	9,839	-0.37%
<i>of which Obramax</i>	N/A	2,789	
Portugal	5,874	6,069	3.32%
<i>of which Leroy Merlin Portugal</i>	5,874	6,069	3.32%
Romania	3,508	3,842	9.52%
<i>of which Leroy Merlin Romania</i>	3,508	3,842	9.52%
Total workforce	105,542	109,176	3.44%

Table 35: People joining and leaving the workforce

Breakdown by new hires and redundancies	2024	2025	Evolution
Number of new hires	32,961	33,109	0.45%
Number of redundancies	4,550	5,257	15.54%

Table 36: Turnover

Turnover	2024	2025	Evolution
Turnover	18%	17%	-1pt

1.10.3 Employee safety

Table 37: Employee health and safety

Health and safety	2024	2025	Evolution
Frequency rate of accidents at work	12.8	9.5	-25.86%
Severity rate of accidents at work	0.72	0.65	-9.72%
Number of employees killed in accidents at work	1	0	-100.00%
Percentage of employees covered by a health and safety system	100%	100%	equal

Table 38: Absenteeism and occupational illness

	2024	2025	Evolution
Sickness absence rate (%)	5.5	5.6	0.1pt
Number of employees affected by an occupational illness	N/A	2459	N/A

1.10.4 Health, well-being and quality of life at work

Work-life balance metrics

Table 39: Days lost due to accidents at work and work-related fatalities

	2024	2025	Evolution
Number of days lost due to accidents at work	113,797	107,464	-5.56%
Number of days lost due to work-related fatalities	180	0	-100.00%

1.10.5 Coverage of collective bargaining and social dialogue

Table 40: Collective agreements

Collective agreements	2025
Number of employees covered by collective agreements	96,575
Percentage of employees covered by collective agreements	88.5%

Table 41: Employee representatives

Employee representatives	2025
Number of employees covered by employee representatives	101,977
Percentage of employees covered by employee representatives	93.4%

2. Consumers and end users

2.1. Interests and views of stakeholders

Consumers and end users, i.e. residents and housing professionals, are a key stakeholder group for ADEO. The double materiality analysis revealed that the most significant impacts of the company's activities directly concern this category. Their feedback guides the Group's strategy in three areas: product and user safety, in-store safety and the protection of their personal data. The expectations expressed in the context of energy renovation projects, a fundamental area for ADEO, also enhance our understanding of needs and the design of proposed solutions.

2.2. Significant impacts, risks and opportunities and interaction with strategy and business model

The materiality analyses highlight 5 major IROs. Access to decent housing, through housing renovation, is an opportunity to provide solutions tailored to the needs of residents in a fast-changing market. The risks identified mainly concern the safety of customers when using products or in shops, as well as the protection of personal data in the event of failure to control processing. Potential negative impacts have also been identified in the event of breaches of in-store safety or the marketing of non-compliant or dangerous products.

Table 42: Impacts, risks and opportunities linked to end consumers

Issues	IRO	Description	Main actions
Access to decent housing	Opportunity	Development of products and offers to promote home renovation, supported by regulatory changes in the context of the ecological transition, enabling ADEO to differentiate itself from its competitors, improve its reputation and gain market share.	<ul style="list-style-type: none"> • Energy renovation • DIY (Do It Yourself) products • DIFM (Do It For Me) service models
Customer health and safety (shops & products)	Risk	Cases of damage to the health or safety of customers or end-users (in-store, when using products or during home services) resulting in financial penalties, market losses (lower customer satisfaction, reputational risk), and/or a reduction in business activity.	<ul style="list-style-type: none"> • Regulatory testing • External audits
Customer data protection	Risk	Negligence in the data controls put in place (lack of authorisation, etc.), leading to financial penalties in the event of data leakage or misuse, and market losses (loss of the customers concerned and reputational risk).	<ul style="list-style-type: none"> • Appointment of a network of data protection officers • Global, centralised risk assessment and management tool • Training programme

Customer health and safety (shops & products)	Negative impact	Safety shortcoming in an ADEO shop resulting in the death or physical harm of a customer.	<ul style="list-style-type: none"> • Specific display devices • Systematic analysis of incidents • First aid training
Customer health and safety (shops & products)	Negative impact	Marketing by ADEO or its marketplaces of products that are dangerous to use and/or harmful in terms of the substances they contain, or that do not comply with ADEO's values and may cause injury or illness to end users (e.g. with crystalline silica having the same effects as asbestos).	<ul style="list-style-type: none"> • User testing • Oeko-Tex and C.O.V certifications

2.3. Interaction process regarding impacts on consumers and end users

ADEO regularly interacts with consumers in order to identify and address the impact of product use.

As part of the development of the own-brand products (MDH), the teams rely on a structured process that includes listening to customers, which is one of the cornerstones of the product specifications. Feedback from consumers, collected via shop teams or during user tests carried out directly at ADEO or in customers' homes, helps to identify potential risks associated with product use.

2.4. Procedures to address negative impacts and channels for consumers and end-users to raise concerns

Consumers have a number of channels through which they can report problems with products and take corrective action.

The main operational tool is the WeCare digital aftersales platform, which centralises aftersales activities and the processing of repairs.

Deployed in France, Spain, Poland, Italy and Portugal, it is an essential channel for supporting customers after their purchase. In 2025, WeCare provided a solution for 1.4 million customers.

The availability of spare parts, repair advice and access to in-house or partner repair services also help to limit the negative consequences for consumers and extend the useful life of products.

When it comes to protecting personal data, consumers also have dedicated channels for asserting their rights. Each Group Company has a Data Protection Officer (DPO) responsible for orchestrating responses to requests for access, rectification, deletion or objection made by the persons concerned. This system is part of ADEO's overall compliance framework and ensures that customers' concerns about the processing of their personal data are taken into account and dealt with in accordance with regulatory requirements.

ADEO's consumer protection programme is based on a coherent set of requirements and practices integrated into its management system. Even if these commitments do not yet take the form of formalised policies, they constitute

fundamental strategic guidelines to which the actions carried out by the Group's Companies are linked. These guidelines cover four areas:

- Access to decent housing,
- Product safety,
- In-store customer safety,
- Protection of personal data.

2.5. Access to decent housing

In line with the United Nations Sustainable Development Goals (SDGs), ADEO is committed to "ensuring access to safe, adequate and affordable housing for all". We see decent housing as the foundation of human dignity, a guarantee of health, safety and social cohesion.

The urgency of fuel poverty:

Fuel poverty is a major public health issue. Poorly insulated homes (cold in winter, hot in summer, damp, mould) have a lasting effect on the physical and mental health of their occupants.

For over 4 years, Leroy Merlin France has been taking concrete action against this scourge alongside the Stop à l'Exclusion Énergétique collective. The annual allocation to the Stop Exclusion Énergétique fund is €1 million. Leroy Merlin France also ran a rounding-up campaign from 2 December 2025 to 6 January 2026, raising more than 178,000 euros from 581,000 customers, which will be paid out in 2026.

Action is based on two levers:

- Raising awareness: Deployment of educational tools (e.g.: Workshop on fuel poverty) to train our teams and our customers.
- Solidarity: Financial support and product donations to help renovate the most vulnerable homes.

2.6. Ensuring product safety

Product safety policies

Consumer health safety is a major issue at the heart of the Positive Products strategy, which guides the design and selection of all products marketed.

Pillar 8 - "Designed to be safe and manufactured with health-friendly components" - forms the basis of this approach. It aims to prevent any risks that may arise when products are handled, installed or used by residents. This requirement is integrated at a very early stage, right from the design stage, and monitored throughout the industrial life cycle to ensure that products comply strictly with applicable regulations, while meeting the Group's internal health and safety requirements.

This approach reflects a strong desire to bring to market products that are safe, healthy and in line with customer expectations, in line with the Group's strategic focus on positive living.

Actions relating to product safety

ADEO applies a rigorous process to guarantee the quality and safety of own-brand products (MDH) and national brand products. Each MDH product is developed according to precise specifications, backed up by laboratory tests and user trials. Compliance is reinforced by regular audits by the authorities and independent checks of factories in accordance with ADEO quality standards.

By 2025, 98% of factories had qualified without a reinforced action plan, illustrating the Group's high standards. National brand suppliers must provide a compliance file and integrate their risk management system into the Group's Quality Management System (QMS). ADEO also promotes recognised certifications (Oeko-Tex to limit allergenic substances and the best health classes for VOC - Volatile Organic Compounds - to reduce volatile emissions). Finally, the traceability of MDH products is ensured by archiving compliance data for 10 years.

2.7. Improving in-store customer safety: safety strategy

In-store customer safety policies

Personal safety is a major issue for ADEO and is fully in line with its safety strategy, which aims to establish a shared culture of prevention. When applied to customers, this requirement is the subject of a policy currently being formalised at Group level. Nevertheless, ADEO is already deploying a structured approach with a clear ambition: to work towards zero accidents in all its shops.

This approach is supported on the ground by a network of **Safety Leaders** who coordinate a shared prevention programme. It combines continuous awareness-raising among teams, rigorous analysis of incidents and the implementation of corrective measures.

In-store customer safety initiatives

ADEO companies take specific action to improve customer safety in shops and prevent high-risk situations.

In France, Leroy Merlin structures customer safety through interdepartmental collaboration. This organisation enables areas at risk to be identified and dealt with. Specific display devices and regular visits to the site complement this work, to maintain a high level of diligence and continually improve customer journeys.

In Spain, Leroy Merlin is stepping up prevention by asking shops to record and analyse safety incidents involving customers. This approach makes it possible to define targeted action plans and avoid the repetition of similar events.

In Poland, Leroy Merlin is adopting a collaborative approach involving customers themselves in the safety process. First aid training is also available. This unique initiative within the Group aims to raise awareness among all stakeholders.

2.8. Protecting personal data

Policies on personal data

ADEO and all its entities are committed to ethical conduct, based on respect for individuals, for the company and for the values shared and implemented by each employee on a daily basis.

The protection of personal data is an inseparable part of our commitments and our ethical rules, ensuring that our values are perfectly in line with our legal imperatives.

The Group defines internal policies governing, in particular, data retention periods and the management of data breaches. The implementation of these policies relies on dedicated digital tools to ensure operational follow-up, continuous monitoring and regular reporting to the ADEO teams.

A Group Data Protection Officer (DPO) defines and steers the common framework, draws up the applicable compliance rules and ensures that they are implemented. It leads a network of local DPOs, who are responsible for adapting this framework to the regulatory requirements of their country, supervising its operational application and reporting on key indicators. In some countries, these functions may be shared between several entities. The DPO reports to the Finance Department, within the Compliance teams, some of which are currently being set up.

Within the Group's companies, the role of the DPO is to:

- maintain a register of processing operations,
- orchestrate the processing of requests to exercise rights,
- analyse and notify data breaches when required,
- support projects to ensure that the principle of privacy by design is applied,
- train employees in data protection issues.

This organisation is complemented by the existence of global and local committees which monitor the framework defined and ensure that it is adopted by all entities through a network of leaders.

The framework aims to protect the data of customers, employees, suppliers and all stakeholders. It is based on a number of fundamental principles, including annual risk mapping to identify and monitor the real risks faced by each entity;

- a guarantee that all processing has an appropriate legal basis and a controlled storage period;
- a commitment to transparency to data subjects;
- respect for the exercise of their rights;
- stricter requirements for selecting and monitoring subcontractors;
- the implementation of proportionate security measures in line with the Group's cyber security policy;
- and the ongoing empowerment of employees, in particular through awareness-raising and training initiatives.

Although still in the process of being built, this system provides a coherent and operational framework enabling ADEO and its companies to guarantee responsible, controlled and compliant management of personal data.

Actions relating to personal data

In order to anchor its commitment to the protection of personal data, ADEO is deploying a series of structured actions aimed at ensuring coherent and consistent compliance across all its companies:

A coordination body regularly brings together the Group's DPO community and their teams. It enables essential information to be shared, practices to be harmonised, the progress of actions to be monitored and the effective application of the compliance framework to be ensured across all entities.

ADEO has also introduced common procedures for evaluating processing activities, projects and digital solutions, whether developed in-house or sourced from external partners. These assessments ensure that each initiative complies with the defined framework. They are based on a global, centralised tool designed to document processing, identify the associated risks and manage the action plans needed to control them.

A specific training programme on the protection of personal data is deployed among employees to ensure a level of awareness appropriate to each individual's responsibilities. A number of e-learning modules have been designed and are gradually being rolled out across all entities to reinforce understanding of the challenges of data confidentiality, integrity and availability.

Finally, ADEO provides DPOs with dashboards enabling them to monitor the main compliance indicators, whether in terms of managing requests to exercise rights, handling data breaches or keeping the register of processing activities. These tools facilitate day-to-day management and contribute to the continuous improvement of compliance within the Group.

Methodological note on social data

Number of employees: Total number of company employees (permanent contracts, temporary staff, apprentices and trainees) at 31 December 2025, including those on temporary leave (maternity, illness, etc.). This workforce does not include external workers.

Joining the workforce: Number of employees recruited in 2025, regardless of type of contract or working hours. Transfers between companies are not considered as recruitment.

Leaving the workforce: Number of employees leaving the company in 2025. Departures include voluntary and involuntary departures. Transfers between companies are not considered as departures from the company of origin.

Turnover: percentage of permanent employees working more than 50% of the time who leave the company in relation to the company's total workforce on permanent contracts in 2025. Employees who change Companies during the year are not counted as leaving the workforce. Temporary contracts, trainees and apprentices are not included.

Frequency rate: indicator used to measure the degree to which employees are exposed to occupational risks. This is the number of accidents at work resulting in at least one day's absence from work per million hours worked.

Severity rate: indicator measuring the relationship between the number of calendar days lost as a result of an accident at work and the number of hours worked - and therefore exposed to risk - multiplied by 1,000.

Percentage of employees covered by a health and safety system: Employees covered by a health and safety management system belong to a company that has established safety management guidelines. These directives form part of a safety policy overseen by senior management and include safety rules, operating principles integrating safety at all levels and values to be promoted. They apply to all members of the company (operational and non-operational) at national, regional and local level. They also concern external stakeholders (customers, suppliers, partner organisations).

ADEO has chosen the international standard ISO 45001 as the basis for its safety management system (SMS). The employees of an ISO 45001-certified company are de facto covered by a management system, as are the operational units awaiting certification within six months (preliminary audit completed, certification audits planned).

Number of days lost due to accidents at work: Number of days absent due to accidents at work (the day of the accident is not counted).

Number of employees killed in accidents at work: Number of employees who died as a result of an accident at work, either immediately or as a result of complications in the months/days following the accident. In order to measure absenteeism as accurately as possible, the hours of absence for a given period also

take into account the absences of employees who left the organisation during that period, as well as those who joined it.

Number of days lost due to work-related fatalities: Measurement of the loss resulting from the death of an employee following an accident at work. The measure is based on a constant number of 180 days determined by the Occupational Safety and Health Administration

Sickness absence rate: This indicator measures the percentage of hours lost due to illness or work-related health problems, in relation to hours worked.

Number of employees affected by an occupational illness recognised by local regulations

Number of employees covered by collective agreements: This is the number of employees covered by the company's collective agreement.

A collective agreement is an agreement negotiated between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more trade unions or, failing that, the duly elected and empowered representatives of the employees in accordance with national legislation and regulations, on the other. A collective agreement supplements the Labour Code by specifying rules adapted to the specific features of the activity concerned, such as:

- Working conditions
- Remuneration
- Conditions of employment and dismissal
- Professional training
- Safety and working conditions
- Social protection
- Trade union rights and staff representation
- Specific clauses:

Number of employees covered by employee representatives: This is the number of employees represented by at least one employee delegate.

An employee delegate is a person or group of people chosen or elected by the employees of an organisation to defend their interests in relation to management or the employer. The role of these delegates is to defend workers' rights, voice their concerns and promote a safe, fair and respectful working environment, in accordance with labour legislation.

Appointment and election procedures vary considerably from country to country and from company to company. In some cases, these delegates are elected by the employees, while in others they may be appointed by the trade unions or other representative bodies.

INFORMATION ON THE CONDUCT OF BUSINESS

1. Role of administrative, management and supervisory bodies

1.1 Commitment of the governing body

Ethical business conduct and the fight against corruption are the joint responsibility of the Global Leaders and the Management Committees of each Business Unit. They embody the first level of exemplarity and ensure that these issues are integrated into their teams' operational and strategic projects.

To meet this responsibility, ADEO relies on a governance structure built around the ADEO Code of Ethical Conduct, which is the central reference system for the ethics programme. It oversees ethical practices in all the Business Units. This reference system is communicated to stakeholders in the ADEO ecosystem through the Responsible Purchasing Code, the Non-Commercial Purchasing Code and the Donations and Sponsorship Code.

1.2 Governance of the ADEO Code of Ethical Conduct and Ethics Programme

The ADEO Ethics Committee, supported by senior management, oversees the ADEO Code of Ethical Conduct at global level. Within ADEO, the Risk, Compliance and Insurance Department assists the ADEO Ethics Committee in this mission. More specifically, this department is responsible for the administration, deployment and coordination of the Ethics Programme concerning the fight against corruption, money laundering and the financing of terrorism, and the application of international sanctions. The Risk, Compliance and Insurance Department coordinates the Chief Compliance Officers of the Companies, who align with the Department's functions within the BUs. The Adeo Ethics Committee is also made up of HR staff, with the Social Affairs teams playing a key role, particularly in dealing with alerts.

Within each BU, the Company's general management entrusts the BU Ethics Committee, led by the BU Chief Compliance Officer, with the task of coordinating the ADEO Code of Ethical Conduct. The Company Ethics Committee ensures the proximity and responsiveness required for effective ethical governance. Each Committee comprises at least the Chief Compliance Officer and an anti-fraud representative, both appointed by the BU Finance Leader, and an HR representative appointed by the Business Unit HR Leader. The Committee may also invite other experts where technical knowledge of the subjects and diversity of points of view prove necessary.

The linchpin of the Group's ethical approach, each Company Ethics Committee ensures that the ethics programme is rolled out throughout the Business Unit, that the Alert Channel is managed, and that whistleblowers are dealt with and followed up. In the event of critical situations, it coordinates with the management bodies to ensure rigorous, confidential handling in line with ADEO standards and legal requirements.

Apart from the Ethics Programme, the other themes that make up the ADEO Code of Ethical Conduct depend on dedicated governance. Issues relating to human rights and product quality are set out in the Code of Commercial Purchasing, which is overseen by the Adeo Quality Director, who relies on regional quality platforms for operational deployment. The Group Quality team defines social compliance rules and oversees their application in all Business Units. Similarly, the Indirect Purchasing team is responsible for supervising the signing of the Non-Commercial Purchasing Code of Conduct.

This multi-level governance ensures effective supervision of the conduct of business and ensures that ethical issues are appropriately escalated to the Group's senior management.

2. Procedures for identifying and assessing significant impacts, risks and opportunities

Identifying and assessing the impacts, risks and opportunities associated with doing business is part of ADEO's approach to ensuring integrity, transparency and accountability in all its business relationships. Carried out as part of the double materiality analysis ([section 4. Impact, risk and opportunity management](#)), this assessment helped to identify the Group's priority issues in terms of ethics, governance and stakeholder relations. The results highlighted 4 material impacts, risks and opportunities structured around two central themes: the protection of whistle-blowers, and the relationship of trust with suppliers, which is a key lever for developing sustainable and responsible partnerships throughout the value chain.

Table 43: Impacts, risks and opportunities of doing business

Issues	IRO	Description	Main actions
Protecting whistleblowers	Negative impact	Lack of protection for whistleblowers, leading to stigmatisation and/or rejection of whistleblowers, even hindering their physical safety, and discouraging the reporting of potentially unethical practices.	Secure, anonymous alert channel. <ul style="list-style-type: none"> ● Policy for collecting and handling alerts. ● Support and protection against reprisals.
A relationship of trust with suppliers	Negative impact	Dependency risk: Sellers present on the ADEO marketplace or its suppliers may be exposed to functional dependence (visibility, skills, trust) on ADEO, which could slow down the development of their business and impact their revenues.	<ul style="list-style-type: none"> ● Code of Conduct for Responsible Purchasing. ● Support and development.
A relationship of trust with suppliers	Positive impact	Constructive dialogue with suppliers, training and support for the development of sustainable products and activities (circularity, etc.) that contribute to the ecological transition.	<ul style="list-style-type: none"> ● Home Index
A relationship of trust with suppliers	Risk	The choice of a service provider and the quality of its services may affect ADEO's activities and performance.	<ul style="list-style-type: none"> ● Code of Conduct for Responsible Purchasing. ● Non-Commercial Purchasing Code of Conduct. ● Supplier selection, evaluation and monitoring processes. ● Reputation check. Quality Management System (QMS).

			Full mapping of social and environmental risks.
Health and safety throughout the entire upstream value chain	Negative impact	Exposure of workers in the value chain (particularly in the factories of suppliers of own-brand products (MDH) and National Brand products marketed by ADEO) to dangerous substances or machines that could cause death or short- or long-term damage to the physical integrity and health of these workers (failure to comply with safety rules, lack of adequate personal protection).	<ul style="list-style-type: none"> • "Positive Product" minimum requirements • Enhancing product knowledge
Human rights in the supply chain	Negative impact	Non-compliance with decent working conditions (excessive working hours, imbalance between professional and private life) by ADEO's partners, which may have an impact on the well-being and health of workers in the value chain.	<ul style="list-style-type: none"> • Social and environmental risk mapping • Supplier creation and evaluation process
Human rights in the supply chain	Negative impact	Cases of illegal labour (child labour, forced labour, modern slavery) at an ADEO partner, affecting the health and living conditions of the workers concerned.	<ul style="list-style-type: none"> • Quality management and social control system (QMS) • Social audits
Health and safety throughout the entire upstream value chain	Risk	Accidents at work, exposure to health and safety risks at ADEO that could lead to a stoppage of activity (in the event of serious and imminent risk), a drop in team productivity (work stoppages, departures, drop in team motivation), damage to the company's image resulting in the loss of customers/partners, financial penalties.	Quality management and social control system (QMS)
Human rights in the supply chain	Risk	Non-compliance with the decent wage requirement by ADEO's partners, leading to financial penalties for ADEO (due diligence, CS3D) and a decline in the quality of services provided by partners (lack of attractiveness, difficulty in recruiting).	

3. Corporate culture and business conduct policies

In terms of business conduct, ADEO's corporate culture is based on five strong values that guide the behaviour of its employees in all their activities: Collaboration (working together for greater impact), Authenticity (acting with sincerity and transparency), Boldness (daring to innovate and undertake), Fairness (treating everyone with justice and respect) and Utility (creating value for all).

Ethics, a founding element of the "We Make It Positive" purpose, reflects the desire to deploy these values to all employees of ADEO companies, throughout the world, and at all levels of the company, without exception.

To guarantee exemplary business conduct and harmonise practices across all its entities, ADEO relies on the Code of Ethical Conduct and its operational variations:

3.1 Code of Ethical Conduct

ADEO's Ethics Programme is set out in the ADEO Code of Ethical Conduct, which constitutes the common ethical reference system for all ADEO employees, managers and companies. Where the Code is more stringent than local laws or practices, it prevails.

Common to all Business Units, translated into local languages and signed by the Managing Director of each BU, the Code of Ethical Conduct formalises ADEO's

commitments to its stakeholders (customers, employees, suppliers, public authorities) as well as the behaviour expected of everyone. Each Business Unit may add more demanding rules, as long as they do not contradict the rules of the ADEO Code of Conduct. These exceptions are examined by the ADEO Ethics Committee, which ensures overall consistency.

It is based on two components:

- Respect for people, including safety at work, promoting diversity and inclusion, combating harassment and sexist behaviour, protecting personal data and managing conflicts of interest. These provisions are designed to ensure a respectful and inclusive working environment for all employees.
- Respect for the company and its ecosystem, including the management of invitations and gifts, the fight against corruption and the payment of bribes, relations with suppliers, service providers and intermediaries, sponsorship and lobbying activities, and the fight against fraud. These principles provide a framework for interactions with external stakeholders.

To ensure that these principles are respected and effectively applied in each entity, the ADEO Code of Ethical Conduct is appended to the internal regulations of each ADEO Business Unit (or equivalent mechanism) and made available to all relevant stakeholders, both internal and external. To this end, Business Units with a commercial website publish the elements of the ADEO Code of Ethical Conduct to ensure access to it.

The management body of ADEO and all its companies ensures that the values and principles of the ADEO Code of Ethical Conduct are implemented and properly applied. As such, it is involved in activities to raise awareness, disseminate and ensure compliance with the ADEO Code of Ethical Conduct among employees and managers. This awareness-raising is based in particular on an e-learning programme to be completed by all ADEO employees.

The ADEO Code of Ethical Conduct is revised at the initiative of the ADEO Ethics Committee. It then coordinates a consultation with all the Business Units to integrate their local specificities.

[3.2 The alert reporting system](#)

1. System for receiving and processing alerts

ADEO ensures the protection of whistleblowers by providing a dedicated and secure channel. It is a continuation of the policy for collecting and processing whistleblower alerts, which has been rolled out across all Business Units and translated into all local languages. The channel guarantees a rigorous, consistent process that complies with local regulations in each country where it is implemented, with transparent monitoring.

The Alert Channel offers a number of guarantees:

- It is confidential, secure and accessible 24/7 to all stakeholders (employees, service providers, suppliers, customers, etc.) to report any

information relating to a behaviour or situation potentially contrary to the Code of Ethical Conduct or the law.

→ It is outsourced and secure, allowing the whistleblower to remain anonymous if he or she so wishes, and also providing an anonymous forum for discussion with the Business Unit's Ethics Committee.

The link to the Alert Channel is posted on the intranets and internal sites of the Business Units and also to the Adeo ecosystem, in particular through the Purchasing Codes of Conduct for suppliers and service providers, and the ethics pages of the BU websites. In addition, local communication devices of varying types (for example, displays containing a QR code in shops) also facilitate access for all employees.

In 2025, 954 alerts were received.

2. Governance of alert processing

Set up at ADEO level, the Alert Channel is managed within each Business Unit by its Ethics Committee. This common framework and the ongoing monitoring of the subject ensure that alerts are handled consistently and uniformly across the Group.

All those involved in the handling of investigations sign a confidentiality agreement and are made aware of their responsibility to protect the confidentiality of alerts and whistleblowers.

Each alert is subject to a preliminary assessment, before being directed according to its nature. Further details can be found in [section 5. Preventing and detecting corruption.](#)

The process is based on a separation of powers between three levels:

- the enquiry, conducted by designated investigators;
- qualification of the facts, analysed by the ADEO/BU Ethics Committee, which makes recommendations based on the law, practice and the Group's values;
- decision-making, which is the exclusive responsibility of management within the Business Unit concerned.

This separation guarantees impartiality, traceability and respect for the rights of all parties.

In addition to these formal reporting obligations, Business Unit teams regularly call on the ADEO Ethics Committee for assistance or advice on complex situations, reflecting a culture of mature cooperation and shared diligence.

At the end of the investigation phase, the Compliance and HR teams work together with employees who have taken part in investigations to ensure that there are no reprisals. Some Business Units have put in place additional local systems and protocols to comply with stricter legal requirements in certain countries.

4. Supplier relationship management

ADEO maintains ethical, transparent and sustainable relations with its suppliers, convinced that the integrity of its supply chain is a lever of trust and performance.

ADEO works with partners and suppliers who share its ethical standards. These requirements are formalised within a **common base**, broken down into two specific reference systems depending on the nature of the contractual relationship:

- **The Code of Conduct for Responsible Purchasing**, dedicated to commercial suppliers; detailed below
- **The Non-Commercial Purchasing Code of Conduct**, aimed at service providers and indirect partners; detailed below

Depending on the applicable governance rules, their signature is a prerequisite for any contract with the Group.

4.1 The Code of Conduct for Responsible Purchasing: for the commercial offer

This code defines the ethical framework and principles applicable, including those relating to quality requirements, to the Group's entire commercial offer: own brands (MDH), imported products, national brands and marketplace sales (1P & 3P). It guarantees products that are safe, durable and ethically and responsibly designed.

ADEO quality governance is based on seven guiding principles:

- **Trust as a foundation:** Quality is the cornerstone of our relationship with our customers, partners and authorities. More than 80% of ADEO products have a rating of 4 stars or more, according to customer reviews.
- **A unique global framework:** All products, whatever their origin, meet the same strict requirements in terms of safety, legal compliance and durability, ensuring a consistent offering.
- **A clear organisation:** The Group Quality team defines the rules and supervises their application in all the business units, guaranteeing the consistency of the system.
- **Risk management:** The system in place reduces the risks associated with product safety, recalls, sanctions and reputational damage, protecting customers and the company.
- **Efficient processes:** Pooling proof of quality across the 13 Business Units optimises costs and speeds time-to-market.
- **Beneficial partnerships:** The system makes it easier for professionals to access documentation, simplifies relations with insurers and strengthens the commitment of suppliers through contracts and quality audits.
- **A driving force for sustainability:** Quality governance actively supports the Group's environmental objectives, including eco-design, recyclability and carbon footprint reduction, thereby aligning quality requirements with sustainable ambitions.

4.2 Process for selecting, evaluating and monitoring suppliers for commercial purchases

Responsible supply chain management is an essential lever for guaranteeing the quality, compliance and sustainability of ADEO's commercial offer. The Group deploys a structured set of processes aimed at assessing suppliers before they are engaged, monitoring their practices throughout the business relationship and supporting their continuous improvement.

Due Diligence

Before any commitment is made, each new supplier to the commercial offer is subject to due diligence: they must carry out a self-diagnosis attesting to their ability to identify and control social, environmental, ethical and quality risks, in order to demonstrate the compliance of their practices.

Based on dedicated governance and applicable internal procedures, some of ADEO's commercial and non-commercial suppliers are subject to a reputation check, the level of assessment of which depends on the risk level of the third party. Depending on the levels of assessment applied, the third-party reputation system makes it possible to identify problems that could affect the third party, such as a criminal record, practices linked to human rights violations, the presence of the third party on a sanctions list, etc.

The system is deployed by the Compliance team in each Business Unit, with consolidated monitoring at Group level. Assessment tools are gradually being rationalised to improve efficiency and data quality.

Mandatory audits

Each production factory is audited by independent third parties on the basis of the Initiative for Compliance and Sustainability (ICS). These quality, social and environmental audits identify any deviations from international labour standards.

Purchase contracts

Quality and ESG requirements are formalised in purchasing contracts through specific contractual appendices that each supplier undertakes to sign. This contractual framework applies to all service providers, whether they are own brands or national brands distributed by ADEO.

Quality control and regulatory compliance

Products presenting a risk of quality instability are subject to external controls before being placed on the market. ADEO systematically checks the regulatory documentation for imported products, guaranteeing legal compliance and smooth logistics.

To ensure compliance with the Group's codes and standards, ADEO deploys structured governance and integrated tools:

- A Quality Management System (QMS): Most control and compliance operations are secured by IT locks integrated into the QMS, which is connected to ADEO's other information systems.
- Positive Products strategy: an operational framework designed to improve the sustainable performance of product families and strengthen the resilience of the supply chain.
- Multi-criteria "Home Index" indicator: This benchmark is used to measure and monitor the progress of the "Positive Products" policy and suppliers in terms of quality, environmental and social performance. More details in section [5.3.1 Positive Products operational strategy policy](#)

In 2025, ADEO extended its quality management system (QMS) to Obramat Spain. This system incorporates social and environmental criteria into the evaluation and monitoring of suppliers, ensuring that decent work standards are respected at every stage of the production process.

ADEO imposes mandatory minimum requirements on all its suppliers as part of its "Positive Product" programme. These requirements include the use of certified wood and strict compliance with the Group's policy on hazardous substances. By imposing these standards, ADEO aims to protect not only end consumers, but also the workers involved in extracting raw materials and manufacturing products, by limiting their exposure to harmful substances.

In addition, the Group actively encourages voluntary initiatives by its commercial partners. ADEO places particular emphasis on obtaining social certifications such as the BSCI (Business Social Compliance Initiative), which attests to compliance with fair labour standards in production factories.

[4.3. Non-Commercial Purchasing Code of Conduct](#)

The Non-Commercial Purchasing Code of Conduct is aimed at service providers and suppliers of products, services and indirect supplies not resold to end customers. It covers the following categories in particular: Marketing & communication, Digital (hardware/software + services), Logistics & transport, Intellectual services, Human resources services (training, recruitment) & travel, Operations & shop services, Financial services & taxes, insurance. In particular, it targets indirect suppliers with annual billings of more than €150K as a priority, while deploying an onboarding process to ensure that all new suppliers sign the code.

To ensure consistency between its ethical commitments and the reality on the ground, ADEO has initiated structured approaches in the non-commercial supply chain, in order to prevent social and environmental risks and ensure continuous improvement in practices. The first initiatives relating to non-commercial supply were launched at the end of 2024 and came to fruition in 2025:

- ADEO has developed and distributed a comprehensive social and environmental risk map covering the entire scope of indirect (non-commercial) purchasing in all its Business Units. This tool identifies the purchasing categories and geographical areas presenting the greatest

social risks for workers, particularly in terms of respect for fundamental human rights.

- ADEO has deployed a global, formalised process for creating, evaluating and monitoring suppliers for half of its Business Units using the Oracle system. This arrangement structures the collection of social and environmental information from the moment the supplier reference system is created.
- These measures have been strengthened by the launch of responsible purchasing 2026 projects, focusing on 2 main themes: trust with third parties and compliance with ESG standards.

5. Preventing and detecting corruption

In 2025, ADEO focused its efforts on consolidating its anti-corruption system, in particular by renewing the mapping of corruption risks and increasing the involvement of the management body.

These advances demonstrate ADEO's determination to continue improving its mechanisms for preventing and combating corruption.

Prevention and alert handling system

ADEO has a structured system for preventing, detecting and dealing with the risks of corruption and influence peddling in accordance with regulatory requirements in the fight against corruption.

The handling of alerts is based on formalised analyses using investigative procedures as described in the Policy for the collection and handling of alerts in section 3.2 The alert reporting system of this document. These processes guarantee rigorous and responsive handling. Alerts are handled by the relevant teams in accordance with the procedures set out in the policy. The ADEO Ethics Committee has access to all alerts reported by the Business Unit Ethics Committees. This rule guarantees enhanced supervision and consistent treatment across ADEO.

Reports of potential corruption and/or bribery issues must be reported and/or recorded in the Alert Channel.

In the most sensitive cases (see the following criteria), upon receipt of an alert, the Company Ethics Committee must communicate the case to the ADEO Ethics Committee without delay and before taking any further action. In each BU ADEO Code of Ethical Conduct, the alert channel dedicated to the ADEO Ethics Committee is indicated in addition to that of the BU.

This governance ensures that, depending on the case, the impartiality, resources and means necessary for the investigation are guaranteed.

Criteria requiring mandatory communication of the alert to the ADEO Ethics Committee:

- Involvement of a member of the Executive Committee, a Regional Director, a member of the Business Unit Ethics Committee or a manager of a member of the Ethics Committee
- Valued or recoverable financial assets in excess of €100,000
- Cases involving five or more people, whether internal and/or external to the organisation

Control and audit system

Anti-fraud and anti-corruption measures have also been deployed, including internal control mechanisms via the Nexus platform, such as enhanced verification of supplier bank details (RIBs), expense claims, product and/or financial donations, and so on.

An ADEO audit plan is also updated annually in conjunction with the ADEO Audit Department to determine which Companies should be audited under the ethics programme.

6. Indicators

Table 44: Rate of factories audited

% MDH finished product factories referenced and qualified	2024	2025	Evolution
Social audit (ICS Standard)	97.5%	98.6%	1.1 pts
Quality audit	98.0%	97.6%	-0.4 pt
Environmental audit	95.9%	98.4%	2.5 pts

Table 45: Alerts received on the alert platform¹³

	2024	2025	Evolution
Number of alerts received via the alert platform ¹⁴	784	954	22%

Table 46: Percentage of responsible suppliers

Responsible suppliers (%)	2024	2025	Evolution
Percentage of commercial suppliers with an active contract with the purchasing group that have signed the ethical code of conduct for responsible purchasing	97%	98	0.47 pt
Percentage of non-commercial suppliers with an active contract with the central purchasing body who have signed the ethical code of conduct for responsible purchasing	84	88	4.3 pts
Percentage of active sellers on the marketplace who have signed the code of conduct for responsible purchasing	100	94	-5.7 pts
Overall percentage of signatory Suppliers of the Responsible Purchasing Code	95%	96%	0.6 pt

¹³ Due to a layout error, the data presented in the Non-Financial Performance Statement 2024 is incorrect.

¹⁴ This indicator covers the entire ADEO Group

Methodological note on governance information

Percentage of MDH finished product factories referenced and qualified in social matters: Percentage of MDH product factories qualified in their social audit out of all MDH product factories referenced. The audit is an independent assessment carried out by an external audit firm on the production site to ensure compliance with social requirements, in accordance with the ICS standard (Initiative for Compliance and Sustainable Development).

Percentage of MDH finished product factories with environmental references and qualifications: Percentage of MDH product factories qualified in their social audit out of all MDH product factories referenced with a high environmental impact. The strong environmental impact is characterised by the nature of the industrial process, which, through its discharges, represents a significant risk of water, soil and/or air pollution.

The audit is an independent assessment carried out by an external audit firm on the production site to ensure compliance with social requirements, in accordance with the ICS standard (Initiative for Compliance and Sustainable Development).

Percentage of MDH finished product factories referenced and qualified in social matters: Percentage of MDH product factories qualified in their social audit out of all MDH product factories referenced. The audit is an independent assessment carried out by an external audit firm on the production site to ensure compliance with social requirements, in accordance with ADEO standards.

Number of alerts received via the alert platform: The alert reporting platform is accessible internally via a specific link in the Code of Ethics and internal regulations, and externally via a link in the various codes of conduct signed by the stakeholders concerned (Responsible Purchasing Code, Non-commercial Purchasing Code, Code applicable to donations and sponsorships), as well as on the institutional websites of the business units, such as "adeo.com".

The alerts counted are those received from all stakeholders, excluding advertising, internal tests and requests of an exclusively commercial nature.

Percentage of commercial suppliers with an active contract with the purchasing group who have signed the ethical code of conduct for responsible purchasing: Ratio between the total number of commercial suppliers with an active contract with the company's central purchasing department and who have signed the ethical code of conduct for responsible purchasing at the end of 2025, and the total number of commercial suppliers with an active contract with the company's central purchasing department at the end of 2025.

Percentage of non-commercial suppliers with an active contract with the central purchasing body who have signed the ethical code of conduct for responsible purchasing: Ratio between the total number of non-commercial suppliers with an active contract with the company's central purchasing department and who have signed the ethical code of conduct for responsible purchasing at the end of 2025, and the total number of non-commercial suppliers with an active contract with the company's central purchasing department at the end of 2025.

Percentage of active sellers on the marketplace who have signed the code of conduct for responsible purchasing: At the level of each business unit, the number of marketplace sellers who have signed the responsible purchasing code among the sub-totals of

marketplace sellers. An active seller on a marketplace is a natural or legal person who is uniquely listed on the marketplace.