



**Articles of Association  
of adidas AG**  
Herzogenaurach

as amended on July 5, 2011

*Translation from the German.*

*In the event of any differences in interpretation, the German text shall prevail.*

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## **ARTICLES OF ASSOCIATION**

### **of adidas AG**

#### **§ 1**

##### **Corporate Name, Place of Registered Office and Financial Year**

1. The name of the publicly-listed Company is  

adidas AG
2. The registered office of the Company shall be located in Herzogenaurach.
3. The financial year of the Company shall be the calendar year.

#### **§ 2**

##### **Purpose of the Company**

1. The purpose of the Company is the production and distribution of apparel, footwear and equipment for sports and leisure as well as of products of adjoining fields and, in addition, the commercialisation of the registered adidas trademark.
2. The Company is entitled to all measures and business transactions which are appropriate to promote the purpose of the Company. This also includes the establishment of branches as well as the acquisition and establishment of other enterprises as well as of an interest in such enterprises, in Germany and abroad.

### **§ 3**

#### **Publications and Transmission of Data**

1. Official announcements by the Company shall be published in the electronic version of the German Federal Gazette (Elektronischer Bundesanzeiger).
2. The Company shall be authorised to transmit information by electronic means to its shareholders subject to their approval.

### **§ 4**

#### **Nominal Capital**

1. The nominal capital of the Company shall be EUR 209,216,186 and be divided into  

209,216,186 no-par-value shares.
2. The Executive Board shall be entitled for a duration of five years, effective from the entry of this authorisation with the Commercial Register, to increase the nominal capital, subject to Supervisory Board approval, by issuing new shares against contributions in cash once or several times by up to a total of EUR 50,000,000 (Authorised Capital 2009/I). The new shares may also be offered to one or several credit institutions with the obligation to offer them to the shareholders for subscription (indirect subscription right). The Executive Board is authorised, subject to Supervisory Board approval, to exclude residual amounts from the shareholders' subscription rights.
3. The Executive Board shall be entitled for a duration of three years, effective from the entry of this authorisation with the commercial register, to increase the nominal capital, subject to Supervisory Board approval, by issuing new shares against contributions in kind once or several times by up to a total of EUR 25,000,000 (Authorised Capital 2011). The Executive Board may, subject to Supervisory Board approval, exclude the subscription rights of the shareholders. The shareholders may also be granted the statutory subscription right by offering the new shares to one or several credit institutions or other companies as defined by § 186 section 5 sentence 1 AktG with the obligation to offer them to the shareholders for subscription (indirect subscription right).

4. The Executive Board shall be entitled for a duration of five years effective from the entry of this authorisation with the commercial register to increase the nominal capital, subject to Supervisory Board approval, by issuing new shares against contributions in cash once or several times however by no more than EUR 20,000,000 altogether (Authorised Capital 2010). The new shares may also be offered to one or more financial institution(s) and/or one or more companies acting in accordance with § 53 section 1 sentence 1 or § 53b section 1 sentence 1 or section 7 German Banking Act (Gesetz über das Kreditwesen - KWG) or to a group or a syndicate of banks and/or such companies subject to the obligation to offer them to the shareholders for subscription (indirect subscription right). The Executive Board may, subject to Supervisory Board approval, exclude fractional shares from shareholders' subscription rights. Additionally, the Executive Board may, subject to Supervisory Board approval, exclude shareholders' subscription rights when issuing the new shares at a value not essentially below the stock exchange value of shares with the same features. The authorisation to exclude subscription rights pursuant to the previous sentence may, however, only be used to the extent that the pro-rata amount of the new shares in the nominal capital together with the pro-rata amount in the nominal capital of other shares which have been issued by the Company since May 6, 2010, subject to the exclusion of subscription rights pursuant to or in accordance with § 186 section 3 sentence 4 AktG on the basis of an authorised capital or following a repurchase or for which option or conversion rights have been granted after May 6, 2010, through the issuance of convertible bonds and/or bonds with warrants, with subscription rights excluded pursuant to § 186 section 3 sentence 4 AktG, does not exceed 10% of the nominal capital existing on the date of the entry of this authorisation with the commercial register or – if this amount is lower – as of the respective date on which the authorisation is used.
5. The nominal capital is conditionally increased by up to EUR 36,000,000 divided into not more than 36,000,000 registered no-par-value shares (Contingent Capital 2010). The contingent capital increase will be implemented only to the extent that the holders of option or creditors of conversion rights or the persons obligated to exercise the option or conversion duties based on bonds, which are issued by the Company or a Group company, respectively guaranteed by the Company pursuant to the authorisation of the Executive Board granted by the resolution adopted by the Annual General Meeting on May 6, 2010 up to May 5, 2015, make use of their option or conversion right or, if they are obligated to exercise the option or conversion duties, they discharge their obligations to exercise the warrant or convert the bond or to the extent that the Company exercises its rights to choose in order to deliver shares in the Company for the total amount or partially instead of a payment and insofar as no cash settlement is granted or treasury shares or shares of another public-listed

company are used to serve these rights. The new shares shall be issued at the respective option or conversion price to be established in accordance with the aforementioned authorisation resolution. The new shares shall carry dividend rights from the commencement of the financial year in which the shares are issued. The Executive Board is authorised, subject to Supervisory Board approval, to stipulate any additional details concerning the implementation of the contingent capital increase.

6. Upon issuance of new shares, the beginning of profit-participation may be fixed in deviation from § 60 section 2 AktG.
7. The shares shall be no-par-value shares and shall be registered. In case a resolution on a capital increase does not stipulate whether the new shares are bearer shares or registered shares, they shall be registered shares. Shareholders holding registered shares must submit to the Company the data required in accordance with statutory provisions for entry into the share register. Electronic postal addresses and any possible changes thereof are to be indicated in order to facilitate communication.
8. The Executive Board, in agreement with the Supervisory Board, shall decide upon form and contents of the share certificates, profit share and renewal coupons. The Company shall be entitled to document its total nominal capital by one or several multiple share certificates. The shareholders' claim to the issuance of individual share certificates shall be excluded unless such issuance is required in accordance with the regulations valid at a stock exchange at which the shares are admitted.

## **§ 5**

### **Corporate Bodies**

Corporate bodies are:

- a) the Executive Board
- b) the Supervisory Board
- c) the General Meeting

## **§ 6**

### **Executive Board**

The Executive Board shall consist of at least two persons. The exact number of Executive Board members shall be determined by the Supervisory Board through the respective appointment or cancellation of the appointment of Executive Board members. The Supervisory Board may appoint a Chairman as well as a Deputy Chairman of the Executive Board.

## **§ 7**

### **Management of the Executive Board**

1. The members of the Executive Board shall do business in accordance with the laws, the Articles of Association and the Rules of Procedure of the Executive Board and of the Supervisory Board.
2. The resolutions of the Executive Board shall be passed with a simple majority of the submitted votes. In the case of a draw, the Chairman of the Executive Board shall have the casting vote. In case he should be prevented from performing this duty, the Deputy Chairman shall have the casting vote, both if they plead so.

## **§ 8**

### **Representation of the Company**

The Company shall be represented

- a) by two members of the Executive Board or
- b) by one member of the Executive Board jointly together with an authorised representative (Prokurist).

## § 9

### **Composition of the Supervisory Board**

1. The Supervisory Board shall be composed of 12 members to be elected pursuant to the provisions of the German Co-Determination Act (Mitbestimmungsgesetz - MitbestG), that is of
  - a) six members to be elected by the General Meeting,
  - b) six members to be elected by the employees.
2. The members of the Supervisory Board shall be appointed for the period until the end of such Annual General Meeting which resolves on their discharge from responsibility for the fourth financial year after the beginning of the term of office unless the General Meeting, when electing its members for the Supervisory Board, decides on shorter terms of individual members or of all members to be elected by it. The financial year in which the term of office begins is not counted.
3. For members of the Supervisory Board representing the shareholders, substitute members may be elected, who, in the order determined at the election, replace the prematurely leaving members of the Supervisory Board representing the shareholders.
4. If a member of the Supervisory Board is elected as substitute for a leaving member, his/her office shall continue for the remainder of the term of office of the leaving member. If a substitute member is replacing the leaving member, his/her office shall terminate at the end of the next General Meeting at which new elections take place, at the latest with the expiration of the term of office of the leaving Supervisory Board member.
5. The members and the substitute members of the Supervisory Board may resign from their office by means of a written declaration addressed to the Chairman of the Supervisory Board or to the Executive Board, observing a period of notice of four weeks.

## **§ 10**

### **Duties and Rights of the Supervisory Board**

1. The Supervisory Board shall have all duties and rights which are assigned to it by law, the Articles of Association or otherwise. The Supervisory Board shall be entitled to make amendments to the Articles of Association concerning only the wording.
2. The Executive Board shall report to the Supervisory Board or respectively to the Chairman of the Supervisory Board on an individual case basis as well as on a regular basis, at the latest at the end of each quarter of a calendar year, and to the extent provided by law and the Rules of Procedure of the Executive Board and of the Supervisory Board.

Furthermore, the Supervisory Board as well as any of its members may, at any time, request a report to the Supervisory Board on matters of the Company, on its legal and business relations to affiliated companies as well as on business transactions within those companies which may materially affect the situation of the Company.

## **§ 11**

### **Declarations by the Supervisory Board**

Declarations by the Supervisory Board shall be made by the Chairman on behalf of the Supervisory Board or, in case he should be prevented from doing so, by a deputy.

## § 12

### **The Chairman and his Deputies**

1. The Supervisory Board shall elect from among itself, in accordance with § 27 sections 1 and 2 MitbestG, a Chairman and a deputy for the fixed term. It shall further elect an additional deputy, the election of whom shall not be subject to § 27 MitbestG. The election shall take place in a meeting not separately convened following the General Meeting which has elected the members of the Supervisory Board representing the shareholders. In case the Chairman or a deputy resigns from office prior to the end of their term, the Supervisory Board shall hold a new election for the remaining term in office of the leaving member pursuant to the 1st and 2nd sentence above.
2. A deputy of the Chairman shall have the same rights as the Chairman in all cases in which s/he, while the Chairman is prevented from performing his duties, acts in substitution of the Chairman, however with the exception of the second vote granted to the Chairman in accordance with MitbestG regulations.
3. In case both, the Chairman and his deputies, are prevented from fulfilling their duties, these obligations shall be taken over by the oldest member of the Supervisory Board for the period of prevention.

## § 13

### **Rules of Procedure and Committees**

1. The Supervisory Board shall adopt rules of procedure.
2. The Supervisory Board may, from among itself, form committees and determine their duties and rights. Powers of decision may also be transferred to such committees within the scope of mandatory statutory provisions.

Immediately upon the election of the Chairman and his deputy elected in accordance with § 27 MitbestG, the Supervisory Board shall form a committee to carry out the duties stipulated in § 31 section 3, sentence 1 MitbestG, which shall consist of the Chairman, his deputy elected in accordance with § 27 MitbestG as well as one member to be elected by the employees' representatives and one member to be elected by the shareholders' representatives with a majority of the submitted votes.

3. In case the Chairman of the Supervisory Board is a member of a committee which consists of an equal number of members of the Supervisory Board representing the shareholders and members representing the employees, and a voting of the committee results in a draw, then the Chairman shall have two votes if another voting on the same issue results in a draw again. § 108 section 3 AktG is also applicable to the second vote.

## **§ 14**

### **Convocation**

1. The meetings of the Supervisory Board shall be called by the Chairman or, in case he should be prevented from performing this duty, by a deputy by written notice given at least 14 days prior to the meeting. For computation of such period both the day of posting the invitation and the day of the meeting are not counted. In urgent cases the Chairman may shorten this period and call the meeting orally, by telephone or by any other means of electronic telecommunication. The legal authorisation of other corporate bodies or members of other corporate bodies to convene Supervisory Board meetings shall remain unaffected.
2. The invitation shall include the agenda of the meeting.

## **§ 15**

### **Resolutions**

1. The Chairman of the Supervisory Board or, in case he should be prevented from performing this duty, a deputy shall be entitled to adjourn a convened meeting prior to its opening.
2. A quorum of the Supervisory Board exists if all members were invited under their last notified address and if at least one half of the members, of whom it shall consist, take part in the passing of the resolution. A resolution on an item of the agenda which was not included in the invitation is only admitted if no member of the Supervisory Board objects thereto. Absent members of the Supervisory Board shall be given the opportunity, within a reasonable period of time to be determined by the Chairman, to oppose the resolution or to send a written vote. The resolution shall only be valid if none of the absent Supervisory

Board members oppose within the said period of time. Members participating in the meeting via video conference shall be considered present.

3. The Chairman of the Supervisory Board or, in case he should be prevented from performing this duty, a deputy shall preside over the meeting. The Chairman, or, in case he should be prevented from performing this duty, a deputy shall determine the order in which the items of the agenda are discussed as well as the type and the order of the voting. He may adjourn the resolution on individual or all items of the agenda by four weeks at the longest, if not the same number of Supervisory Board members elected by the shareholders and of Supervisory Board members elected by the employees participates in the resolution or if any other significant reason for such adjournment exists. He shall not be entitled to an additional adjournment.
4. Resolutions of the Supervisory Board shall be passed with a simple majority of the votes unless the law determines otherwise. The same applies to elections. An abstention shall not be considered as a submitted vote. In case of a draw, the Chairman shall decide whether a new vote shall be taken on the respective item and whether the new vote shall be taken during the same or during another meeting of the Supervisory Board, unless the Supervisory Board decides on a different procedure. If a new vote on the same item results in a draw again, the Chairman has two votes. This second vote can also be submitted in written form pursuant to section 5.
5. An absent member of the Supervisory Board may submit his/her written vote or vote transmitted by facsimile through another Supervisory Board member.
6. A Supervisory Board resolution may also be passed outside a meeting in writing, by telephone, facsimile or by any other electronic means of telecommunication, if the Chairman of the Supervisory Board or, in case he should be prevented from doing so, a deputy directs so for special reasons and provided that none of the members object thereto. There shall be no right of objection if the resolutions are taken in such a manner that the members of the Supervisory Board participating therein are connected with one another by means of electronic telecommunication and are in a position to discuss the subject of the resolution. Resolutions passed not in written form shall subsequently be confirmed in writing. In all other respects the above provisions shall apply mutatis mutandis. Subject to the above conditions, a resolution may also be passed in combination of a meeting and resolutions passed outside the meeting.

## **§ 16**

### **Minutes**

Minutes shall be taken on the resolutions and the meetings of the Supervisory Board and its committees and shall be signed by the person presiding over the respective meeting or, in case of § 15 section 6, by the Chairman of the Supervisory Board.

## **§ 17**

### **Secrecy**

1. Members of the Supervisory Board shall observe secrecy on confidential data and secrets of the Company, namely trade and business secrets which came to their knowledge through their function. The Supervisory Board members shall be bound to observe secrecy particularly with regard to confidential reports received and confidential discussions. Persons who are present during meetings of the Supervisory Board but are not members of the Supervisory Board shall be expressly bound to observe secrecy.
2. Confidential data in the sense of section 1 shall be all data which the person giving the data expressly declares as confidential and the disclosure of which, if seen from a reasonable economic point of view, might possibly impair the interests of the Company.

A secret in the sense of section 1 shall be all facts connected directly or indirectly with the operational and entrepreneurial transactions which are known to a limited circle of persons only and of which the maintenance of secrecy, if seen from a reasonable economic point of view, is assumingly desired by the entrepreneur and cannot be denied as being in the interest of the enterprise.

3. In case a member of the Supervisory Board intends to give any information to third parties and it is doubtful whether such information is subject to secrecy, s/he shall inform the Chairman of the Supervisory Board in advance, thereby stating the person to whom s/he intends to give such information. Before such information is passed on, the Supervisory Board shall have the opportunity to comment on whether or not the passing on of such information is compatible with sections 1 and 2. The statement shall be expressed by the Chairman.

## § 18

### **Compensation of the Supervisory Board**

1. Starting with the financial year 2008, each member of the Supervisory Board shall receive a fixed annual compensation of EUR 40,000, payable at the end of each financial year.
2. The compensation shall amount to three times the amount mentioned under section 1 above for the Chairman and twice the amount for each of his deputies.
3. Each member of a committee with exception of the committee formed pursuant to § 27 section 3 MitbestG, the Steering Committee, the Nomination Committee and the Audit Committee shall receive a bonus amounting to 50% of the compensation pursuant to section 1 above, the committee chairman shall receive a bonus amounting to 100% of the same. Each member of the Audit Committee shall receive a bonus amounting to 100% of the compensation pursuant to section 1 above; the Chairman of the Audit Committee shall receive a bonus amounting to 150% of the same.
4. The compensation paid for a committee chairmanship shall also cover the membership in such committee. If a member of the Supervisory Board is a member of several Supervisory Board committees, s/he shall be compensated only for the tasks performed in the committee with the highest payable bonus.
5. There is no additional compensation for membership in committees established ad hoc.
6. Supervisory Board members which have been members of the Supervisory Board or a Supervisory Board committee only during part of the financial year shall receive a pro-rata amount of compensation in accordance with the duration of their membership.
7. Moreover, the Supervisory Board members shall receive compensation for any expenses incurred as well any VAT thereon.

## **§ 19**

### **Place and Convocation of the General Meeting**

1. General Meetings shall be held at the registered office of the Company or in a city within a distance of not more than 100 kilometres from the registered office or in any other German city where a stock exchange is located.
2. The General Meeting shall be convened - insofar as no shorter notice period is admissible pursuant to statutory provisions - at least thirty days prior to the day of the meeting. The day of the General Meeting and the day of convocation shall not be counted. The time for convocation extends by the days of the time period for registration (§ 20 section 1).
3. The Annual General Meeting shall be convened within the first eight months of each financial year. Extraordinary General Meetings may be convened as often as it is deemed necessary for the interest of the Company.

## **§ 20**

### **Participation in the General Meeting**

1. Only shareholders who are entered in the share register are authorised to participate in the General Meeting and exercise their voting rights. Furthermore, shareholders must have registered in due time. The registration must reach the Company at the address specified in the invitation not later than at least six days prior to the General Meeting. A shorter time period calculated in days for the registration may be stipulated in the invitation. The day of the General Meeting and the day of receipt shall not be counted.
2. The registration shall be made in text form and must be submitted in English or German.
3. The Executive Board is authorised to permit the complete or partial video and/or audio transmission of the General Meeting in a manner determined in detail.

## § 21

### **Voting Right**

1. Each share grants one vote.
2. Shareholders can act by proxy at the General Meeting. Statutory provisions are applicable for issuing the power of representation. Insofar as the law does not compulsorily require a stricter form, text form is sufficient; § 135 AktG remains unaffected. If the Company appoints proxies, it is sufficient if the power of representation is received by the last day prior to the General Meeting in writing, by facsimile, by email or another text form at the address indicated in the invitation to the General Meeting or that the power of representation is granted electronically by the end of the general debate via the website indicated in the invitation to the General Meeting, subject to technical availability, if the law does not stipulate a stricter form.
3. Resolutions of the General Meeting require a simple majority of the votes submitted unless the Articles of Association or mandatory AktG provisions provide otherwise. If, in addition thereto, AktG regulations prescribe for the passing of resolutions a majority of the nominal capital represented when resolutions are passed, then the simple majority of the represented nominal capital shall be sufficient to the extent permitted by law. In case of a draw a motion shall be deemed dismissed.
4. The Executive Board is authorised to allow for shareholders to cast their votes also without participating in the meeting, in writing or by way of electronic communication (postal vote). The Executive Board is also authorised to make decisions on the respective method. § 20 section 1 of the Articles of Association is also applicable in case of postal votes. Insofar as the Executive Board utilises this authorisation, this is to be announced in the invitation.

## § 22

### **Chairman of the General Meeting, Chairing the General Meeting**

1. The General Meeting shall be presided over by the Chairman of the Supervisory Board or one of the members of the Supervisory Board representing the shareholders, who shall be appointed for this purpose by the Supervisory Board prior to the meeting for one or several meetings.

2. The Chairperson presides over the meeting. S/he determines in particular the sequence of the subject-matters to be discussed as well as the votes and the kind of the vote. Furthermore, the Chairperson determines the sequence of the speakers. S/he can limit the shareholder's right to speak to an appropriate time limit. At the beginning of the General Meeting or during its course, s/he is in particular authorised to set an appropriate time frame for the entire course of the General Meeting, for individual agenda items and for individual questions or statements.

## **§ 23**

### **Management Report and Annual Financial Statements, Discharge of the Executive Board and the Supervisory Board**

1. Within the first three months of each financial year, the Executive Board shall draw up the management report and the annual financial statements for the preceding financial year and submit those documents to the auditors. These documents shall be presented to the Supervisory Board immediately after receipt of the report on the audit of the financial statements together with this report and the proposal for the resolution of the General Meeting on the appropriation of the retained earnings.
2. The annual financial statements, the management report, the report of the Supervisory Board and the Executive Board's proposal for the resolution of the General Meeting on the appropriation of the retained earnings shall be made available for inspection by the shareholders on the premises of the Company as soon as the General Meeting has been convened.
3. Within the first eight months of every financial year, after having received the report to be made by the Supervisory Board in accordance with § 171 section 2 AktG, the General Meeting shall resolve on the ratification of the actions of the Executive Board and the Supervisory Board, on the appropriation of the retained earnings, on the appointment of the auditor and on the determination of the annual financial statements in the cases established by law.
5. Upon expiration of a financial year, the Executive Board may distribute to the shareholders an interim dividend, subject to Supervisory Board approval and in accordance with § 59 AktG.

## **§ 24**

### **Capital Surplus**

1. When determining the annual financial statements, the Executive Board and the Supervisory Board may decide to allocate up to 50% of the retained earnings to other capital reserves. In addition thereto, they shall be entitled to allocate further amounts up to 50% to other capital reserves, provided that the other capital reserves do not and will not exceed half of the nominal capital before and after allocation of such surplus to other capital reserves.
2. When computing the amounts to be allocated to other capital reserves pursuant to section 1, any allocations to the legal reserves and any losses carried forward shall in advance be deducted from the annual net income for the year.