

Policy - adidas Group Labour Rights Principles

The adidas Group aims to perform successfully and be profitable as a business. But just as fairness and honesty are fundamental to the spirit of sport, so they are central to the way we do business. In short, we strive to be the best, playing by the rules wherever the game takes place. These rules which we apply to measure ourselves derive from our own corporate values of performance, passion, integrity and diversity and are also defined by what society expects of global businesses.

The global framework

The adidas Group supports the United Nations' Universal Declaration of Human Rights.

Our company policies and procedures adhere to all applicable domestic laws and are consistent with core labour principles of the International Labour Organization (ILO) concerning freedom of association and collective bargaining, non-discrimination, forced labour, and underage workers in the workplace. Promoting human rights and adhering to ILO core labour standards internally and throughout all our business operations is in line with the Group's values and principles. Our commitment to foster the implementation of human rights and core labour standards is supported through our Human Resources function, the programme for Legal Compliance and Social & Environmental Affairs. It is in effect in all adidas Group locations and it applies to the Group's business operations worldwide.

We will use this position as a framework to guide our decision-making and constructive engagement within our sphere of influence, while the responsibility of the governments of the various countries for protection of human rights and core labour standards is respected.

Rewarding

We provide our employees with fair and competitive compensation and benefits. Our wages meet or exceed local compensation conditions and guidelines and thus ensure an adequate standard of living for our employees and their families. Our compensation systems are linked to company and individual performance.

We encourage our employees to fully utilise their potential by offering ample training, education and personal development opportunities. Access to qualification and training measures is based on the principle of equal opportunities for all employees. We promote based on competences, skills, performance record as well as team fit and see the engagement of our employees as a critical success factor.

We comply with all applicable laws and agreements on working time and paid leave. We respect the right to rest and leisure, including vacation with pay and the right to family life. Where possible we will aim to offer more flexible work patterns to enable our employees to balance company with personal demands manifested in our Group's work life balance statement.

Harassment and discrimination

Equal opportunities for all employees and a prohibition on discrimination based upon one's membership in a lawfully protected category are fundamental principles of our corporate policy. No person is to be unfairly disadvantaged, favoured or ostracised because of ethnic or racial status, colour, nationality, descent, religion, caste, gender, gender identity, age, physical characteristics or appearance, genetic information, sexual orientation, physical or mental disability, union membership, military or veteran status, political affiliation, HIV/AIDS, parental status or any other category protected by applicable local law. Harassment of any kind is forbidden. We expect our employees to be honest and fair in their dealings with colleagues and third parties. We believe Diversity is a key success factor for our business.

Freedom of association and collective bargaining

We are committed to an open and constructive dialogue with our employees and, if applicable, with their representatives. Our employees are free to join organisations of their choice that represent them consistent with local organising laws. These organisations may, if recognised as the appropriate agent, engage in collective bargaining according to the applicable legal regulations.

Employees who act as representatives are neither disadvantaged nor favoured in any way. In locations where employees have decided not to appoint representatives, we promote direct and open communication between employees and management.

Child labour

We follow a clear 'zero tolerance to child labour' policy in our business operations worldwide. We do not tolerate child labour in our supply chain either, where we take action against known cases of violation.

Health, Safety & Environment

We ensure uniformly high health protection, safety and environmental protection at our sites through the implementation of appropriate measures. Regulations are consistently applied worldwide to minimise the occurrence of accidents and incidents; a "Group Major Incidence Policy" is in place.

Data Protection and Security

We are committed to fair play and transparency in the field of protecting our employees' privacy rights. We comply with all applicable local laws on data protection and established harmonised data protection and data security standards for the processing of personal data.

We comprehensively advise and support the employees in the assertion of their rights. To this end the employees may also contact the data protection officer of the Group. Employees are not disadvantaged because they have availed themselves of their rights.

Communication and Engagement

We believe in strong internal communication systems to drive employee engagement and to foster open dialogue and collaboration within our organisation. Next to a bi-yearly global engagement survey we have installed web-based systems that allow employees to post questions to senior management. We encourage employees to use all of these channels to voice their concerns and suggestions. To record, track and address any complaints about non-compliances with our Labour Rights Principles and the Code of Conduct we have established a network of compliance managers worldwide, and where established the works councils are involved. A whistle blowing system assures that employees can make complaints and suggestions anonymously.

We deeply believe that the respect for people is fundamental for business excellence. With this position we confirm our commitment to internationally recognised principles in the areas of human rights and labour conditions. We expect the conduct of our employees and business partners worldwide to reflect this commitment.

adidas AG

Herbert Hainer
CEO of the adidas Group

Matthias Malessa
Chief HR Officer