

Global Technology Center Scheinfeld

Environmental Statement 2001



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Introduction

Setting an example in transparent reporting

A few months ago adidas-Salomon published its first social and environmental report for the year 2000. The report describes the international activities of the company, their effects on society and on the environment and the measures that are being taken by adidas-Salomon to contribute towards further improvement of living, working and environmental conditions. The global social and environmental report, "Our World", signifies an enormous step in our efforts to manage the company in a responsible and transparent manner.

The report on the whole group follows the model of the adidas-Salomon Global Technology Centre in Scheinfeld, Germany, which was successfully tested against the requirements of the EMAS Regulation back in 1998. The validated Environmental Statement 1998 describes transparently and comprehensively the environmental impact of the Scheinfeld site and the objectives and measures that are geared towards improving environmental performance.

EMAS II – comprehensive evidence of environmental performance achieved

In the present Environmental Statement 2001 we are committing ourselves to actively continuing the course we have set in the direction of environmental responsibility and sustainability.

The Environmental Statement 2001 contains evidence of our achievements in matters relating to the environment over the last three years. As well as quantitative information regarding the environmental impact of the company's activities at Scheinfeld, specific programmes are cited that are directed at improving our environmental performance still further.

In addition, information is provided for the first time about indirect environmental impact, for example, environmental effects which are a consequence of our international activities relating to the sourcing of raw materials and primary products.

"Best practice" – motivation and support for international business partners

Most of adidas-Salomon's products are produced by independent manufacturers. We have less control over environmental performance in the operations of our suppliers than we do in our own production centres.

It is therefore all the more important for us to support our suppliers with case studies and by passing on any valuable experience of our own so that they can manage and organise their production plants in an environmentally benign manner. This Environmental Statement for the Global Technology Centre in Scheinfeld is therefore intended to actively guide our business partners towards the objective of making their business activities compatible with sustainability.

In July 2001 adidas Scheinfeld, the only sports footwear and ball factory still owned directly by adidas-Salomon AG, was successfully revalidated under the Eco Audit Regulation, along with the test centre, training centre and export/shipping operations also based there. This tied in with our existing successes and provided confirmation of our commitment to environmental protection.

Being economical in the use of natural resources, avoiding accidents anywhere or at any time, taking environmentally aware action beyond the statutory requirements – this is how the global environmental policy of adidas-Salomon AG is implemented in practice in Scheinfeld.

The numerous measures aimed at retaining and improving safety at work achieved formal recognition when the Scheinfeld adidas business location won the national Safety at Work Prize 2000 organised by the Textil- und Bekleidungs-Berufsgenossenschaft (the textile and clothing trade association). In this connection we would like to say a special thank you to all our staff.

We at Scheinfeld appreciate the importance of the subject, "health and safety at work". Our long-term objective is therefore to reconcile the interests of society, the environment and our company as proof that successful interaction in all areas is natural for us.

The Environmental Statement constitutes a promising starting point for any future tasks that may be necessary and to the completion of which we are fully committed.

Scheinfeld, 18th July, 2001

Duncan Scott
Managing Director of
Footwear Sourcing

Günter Ebbing
Head of Global Technology Centre
Scheinfeld

Frank Henke
Head of Environmental Affairs

adidas-Salomon Company Profile

Worldwide

adidas-Salomon is synonymous with competence in all areas of sport all around the world. The vision and corporate philosophy of the man who founded the company, Adolf Dassler, long ago became the guiding principle for the generations who came after him.

The idea was at once simple and ingenious: every sportsman should be supplied with the equipment that was optimal for him. The company dates back to 1920 when Adi Dassler manufactured his first shoes out of the few materials that were available after the first world war.

Today the adidas product portfolio extends from basketball, football, fitness and training footwear through to adventure and trail-running shoes.

In 1997, adidas AG acquired the Salomon Group and changed its name to adidas-Salomon AG. With the brands adidas (sports footwear, clothing and accessories), Salomon (skis, ski bindings, inline skates, adventure shoes, accessories), TaylorMade (golf clubs, golf balls and accessories), and Mavic (bicycle components), adidas-Salomon AG has the best brand portfolio in the sporting goods industry, covering both summer and winter sports.

adidas-Salomon has over 100 branches. Its head office is in Herzogenaurach, Germany. Other major locations are Portland, Oregon and Carlsbad, California in the USA, Annecy in France, Amsterdam in the Netherlands and also Hong Kong. adidas-Salomon AG employs approximately 13,000 people worldwide.

At the Scheinfeld site models, prototypes and custom-made high-performance products are manufactured and tested. The company also operates the last remaining sports footwear production facility in Germany from the same site. As well as football boots, special footwear for Olympic sports and football components are manufactured in this plant.

Global Technology Centre – Function and Mission within adidas-Salomon AG

The Global Technology Centre in Scheinfeld is part of the adidas-Salomon AG organisation. It is one of a group of footwear production factories which produce sports footwear and footballs for the company. As well as operating this production centre, the company works with other independent contractors who maintain their own production facilities around the world.

Within the global corporate organisational structure of adidas-Salomon AG, the Global Technology Centre has responsibility for global footwear sourcing operations.

The successful development of the brand into one of the leading sporting goods companies worldwide is closely linked with the achievements of the Scheinfeld location. Situated only a short distance from the company's head office in Herzogenaurach, the sports footwear factory has been involved in the development and implementation of product and process innovations ever since it was built. This has meant, in particular, that its employees possess excellent qualifications and knowledge, which is extremely valuable when it comes to building up and providing technical support for other production facilities around the world.

As its name suggests, the Global Technology Centre in Scheinfeld today is more than just a production facility. It is a flexible and efficient innovation and expertise centre with leading edge management systems and services.

1959	Scheinfeld sports footwear factory built.
1961	Production of lightweight trainers and football boots begun. Heavy involvement in the development of innovative sports footwear concepts in the years that follow.
1962	First facility for the direct injection of soles made of thermoplastic polyurethane and rubber to sports shoe uppers commissioned. Further injection technologies for polyurethane and nylon developed in collaboration with well-known manufacturers of synthetic materials and machinery.
1974	First polyurethane plasticised foam injection machine for the manufacture of single-colour sports shoe soles commissioned. This technology is subsequently developed further for the manufacture of two-colour soles.
1980	Large-scale production of sports footwear with directly injected and cemented soles.
1987	Use of modern production technologies and a highly qualified workforce gradually transform the sports footwear factory into an innovation and technology centre. This allows high production flexibility and also enables the company to satisfy individual customer requirements in the form of custom-made products. Scheinfeld increasingly takes over the functions of providing advice and services to contractors of adidas-Salomon AG and its partners worldwide.

1997/1998	Scheinfeld production centre named the "Global Technology Centre". As a consequence of its altered role within the company, additional future-oriented measures are implemented: assumption of the function of central sourcing organisation for sports footwear in Europe integration of production for high-quality ball materials expansion of existing training facilities into an international training centre for sports footwear technicians integration of specialist departments for the development of innovative sports footwear concepts establishment of a materials laboratory for testing sports footwear and ball materials and a test centre for innovative product development programmes.
1998	Introduction of an integrated quality and environmental management system First-time validation under the Eco Audit Regulation Certification to ISO 9002
1999	Establishment of the international training centre, covering <ul style="list-style-type: none"> • product training • employee training • management training
2000	As part of planning to meet future recruitment requirements, first intake of shoe manufacturers on vocational course, graduate engineers in shoe technology (College of Pirmasens). Safety at Work Award



Engagement – Global

Standards of Engagement

adidas-Salomon pursues the ambitious goal of being the best sporting goods group. To achieve this goal, the entire company is expected to act in a responsible manner towards society and the environment. This stance is underpinned by the "Standards of Engagement (SoE)", the company's code of conduct.

To implement the Standards of Engagement with regard to safety, health and environmental protection, globally recognised standards and limit values have been collated and described in detail in a manual, the "Guidelines on Health, Safety & Environment". This contains practical, sensible and easy-to-understand instructions on how to improve working conditions in production facilities as well as recommended environmental protection measures. The manual provides the basis for training programmes which are carried out together with the company's business partners while at the same time serving as the basis for specific technical advisory services which adidas-Salomon provides to its business partners.

Use of and adherence to these requirements are monitored and assessed at regular intervals by a specially created audit and advisory team.

Building on the "Guidelines on HSE", environmental guidelines containing suggestions as to how to improve industrial environmental protection and good management practices are currently under development.

Criteria for product materials: safe – cyclical – clean

The key words, "safe – cyclical – clean", sum up our long-term strategy with regard to the choice of our product materials.

"Safe" materials are materials which are not toxic during use or disposal and whose use in product manufacture does not cause any toxic emissions or harm to ecosystems.

"Cyclical" materials are materials whose raw ingredients stem from ecological cultivation and which can either be recycled or are biodegradable or compostable.

"Clean" materials are materials which have been manufactured using solar energy or other "clean", i.e. renewable, forms of energy. In this way we encourage our materials suppliers to manufacture product components and materials under conditions that are as environmentally benign as possible and to make use of the best available technologies.

With the "Policy for control and monitoring of hazardous substances" we have developed a globally harmonised tool to enable us to adhere both to local regulations and to recognised standards (e.g. Eco-Tex Standard 100) in our global sourcing.

Ongoing testing of material samples by accredited external test laboratories and our own Quality Assurance department are an important element of the "Policy".

Environmental activities in Scheinfeld

In the last few years there have been a wide variety of initiatives aimed at minimising the environmental impact of operations on the site.

Input materials

Collaborating with adhesive suppliers and machine manufacturers, we have been carrying out large-scale testing of a new hot-melt adhesive application system since 1999 and have thus made a major contribution in the area of adhesive technology towards developments in the automation of adhesive application.

The definitive, advanced automated hot-melt applicator for the cementing of two components, e.g. soles, will undergo testing in our laboratories starting in September 2001. Assuming that the tests are successful, solvent usage could then be completely eliminated. This would mean a reduction in Scheinfeld of approx. 30–35%.

Noise emissions

The purchase of new, quiet machines (riveting machine, insole-stamping machine) has made it possible to reduce noise pollution. In addition, a form of ear protection that is individually adjustable and controllable, known as variphone otoplastic, has been purchased for those employees whose work areas are noisy. These otoplastics can be adjusted in accordance with the sound level.

Waste management

In addition to our two-chamber waste press we have acquired an additional four-chamber waste press. This means that we can now simultaneously segregate six different recoverable materials so that they can be sent off for recycling.

Reusable cardboard packaging is used to transport bought-in, semi-finished shoe uppers and bottoms.

Energy concept

The power load management system was installed at the end of 1999 and has proved very successful at evening out power peaks in electricity consumption. In the context of measures aimed at reducing compressed air requirements, usage has been continuously recorded using the power load management system and so to document the effects of the measures. Losses due to leakage have been reduced from the previous level of 7% to 3% as a result of regular inspections, motivating all employees to use local stop valves, and preventive maintenance.

The lighting concept has been implemented in shoe production and the warehouse for raw materials and supplies. The areas still to be tackled – ball production, sample stock and export warehouse – are currently being addressed and will all have been upgraded by the end of 2001.



The changeover to environmentally friendly gas heating has been completed. With regard to primary energy consumption, this has led to an approximately 30% reduction in CO₂ emissions. For the year 2000 this added up to a saving of around 245t of CO₂.

Ball production

At the beginning of the manufacturing process it used to be the case that films from polyester fibre and foam polyethylene were cemented (laminated) manually in four successive stages. The laminated layers would then be dried in a dryer for some 12 hours at a temperature of 35°C.

The sequence of operations has now been changed so that assembly of pre-fabricated pieces entails a single pass of an automatic laminating machine. Moreover, the new automatic metering process ensures that the latex adhesive is spread evenly.

By buying in pre-fabricated layers it has proved possible to make better use of raw materials and also to minimise waste through elimination of waste cuttings. The quality of work performed by our workforce has also improved since the odour-intensive and physically strenuous laminating work was eliminated. It is now possible to dispense with the dryer altogether, resulting in savings in energy consumption.

Use of a fully automatic washing facility for print screens for the screen printing machine, which works with biodegradable degreasing solvents at room temperature in an enclosed circulatory system, has resulted in a significant reduction in the usage of cleaning agents. Contaminated cleaning agents are distilled and reused.

Test centre

Test – environment-oriented research and development

Conceived as the company's own testing institute, the test centre comprises three areas:

- a biomechanics laboratory
- a materials laboratory
- a ball laboratory, which carries out research and development in the adidas Balls division.

The materials laboratory in Scheinfeld uses both physical and chemical methods to test materials. Testing is carried out in accordance with the German DIN standards and selective other international standards as well, e.g. the American ASTM standards. The laboratory is technically equipped so as to permit examination of materials, for example, to check that they are free of heavy metals and azo dyes.

Moreover, the materials laboratory performs analyses of product materials which are to be used as alternatives to PVC on a large-scale. General avoidance of PVC materials in products is an important aspect of the company's materials strategy.

The biomechanics laboratory, known as Biolab for short, is a part of the adidas innovation team (a.i.t.). The Biolab carries out testing of sports footwear. Specifically, this means:

- product evaluation using biomechanical and orthopaedic test procedures
- the development and assessment of innovative and orthopaedic shoe concepts
- the development of test procedures enabling statements to be made about the technologies used

Training centre

Since 1999 the training centre has offered premises, facilities and equipment for training and meetings. As well as training for shoe manufacturers and trainees and an academic programme, we offer different departments the opportunity to attend seminars and other events here. Seminars and training sessions on the subjects "Local environmental protection" and "Environmental and social responsibility throughout the supply chain" form a fixed element of the syllabus for the trainees. These subjects are taught to trainees in the form of lectures and practical workshops.

Safety at work

Management of safety at work has long been an important issue at adidas-Salomon. The award of the Safety at Work Prize 2000 organised by the Textil- und Bekleidungs-Berufsgenossenschaft (the textile and clothing trade association) is a testimony to the exemplary health and safety at work practices exercised in Scheinfeld.

Private vehicle traffic

To keep down private vehicle traffic generated by our commuters and to avoid accidents on the way to work, we provide eight company minibuses free of charge for our employees. The resulting journey pooling scheme now saves 580,000 kilometres on the road per year. If we assume that all our employees would drive to Scheinfeld on their own, we are relieving our environment of approximately 115t CO₂, 320kg NO_x, 1.6t CO, 160kg of particles and 130kg of organic compounds.



Environmental policy of the Global Technology Centre

Principles of sustainability

The adidas-Salomon principles of sustainability which apply to operations worldwide provide us with a yardstick for assessing our own progress in the areas of social and environmental responsibility. They have been adopted as the environmental policy to be applied at the Scheinfeld site:

Statutory requirements

We adhere to social and environmental laws, directives and guidelines while continually improving upon our own contribution to a sustainable society.

Management

We aim to:

- to analyse and assess the social and environmental impact of our products, technologies and procedures already at the design and development stages;
- to specify clear objectives, draw up an action plan and monitor our progress;
- to publish the relevant results.

Relationships with suppliers and customers

We expect the activities of our suppliers to be compatible with our SOE. We work in partnership with them to improve work place conditions. We encourage our business partners to take a proactive stance on the social and environmental impact of their own activities.

Support

We support social and environmental projects and develop partnerships with businesses and organisations whose direct and indirect output contributes to a sustainable society.

Dialogue with our stakeholders*

We aim to communicate with all stakeholders in an atmosphere of mutual trust and respect. We provide them with appropriate information related to the social and environmental performance of the group on a regular basis.

* Interest groups, e.g. employees, neighbours, suppliers, organisations, customers, banks, insurance companies, shareholders.

The Environmental Management System

An efficient Environmental Management System specifies tasks and responsibilities and controls internal co-operation with the aim of implementing the requirements contained in the environmental policy and achieving the environmental objectives that have been set.

The company's operations in Scheinfeld also have an impact on the environment. Measures have therefore been taken to reduce any adverse effects to a minimum. To ensure that the measures improve industrial environmental protection, they are organised, co-ordinated and monitored with the aid of an Environmental Management System.

The Environmental Management System has a supportive role as regards compliance with statutory requirements and integration of any necessary information processes into business processes.

In the meantime the guiding principles which apply worldwide have been adopted as the environmental policy for the Scheinfeld site.

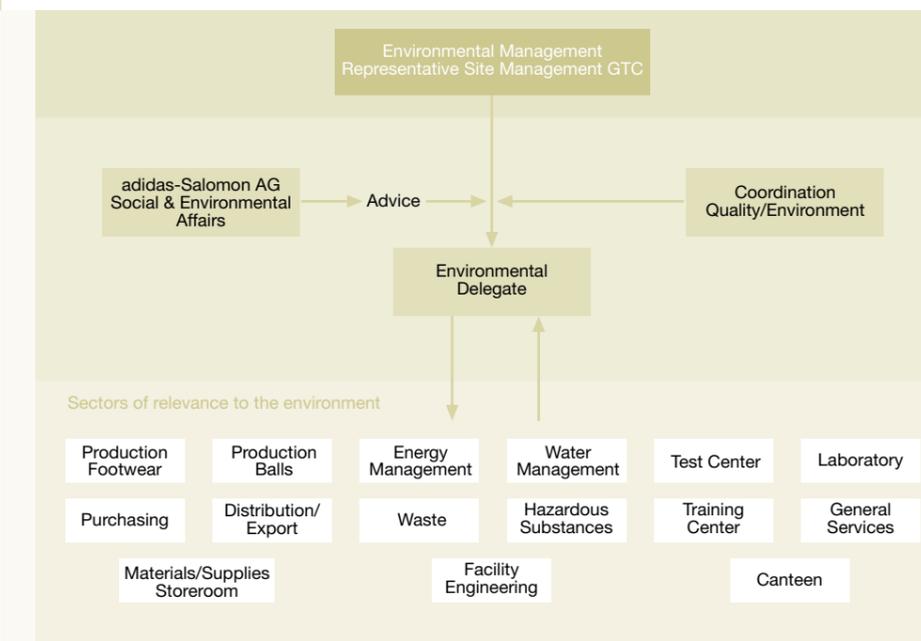
At the highest level of environmental protection in adidas-Salomon AG is the Global Director for Social and Environmental Affairs, who plays a co-ordinating and advisory role for all areas. Specifically to Scheinfeld, industrial environmental protection is implemented by the senior management representative, the Environmental Delegate and environmental representatives from all the relevant sectors.

Environmental objectives and environmental programmes are specified by the site manager in co-operation with the Environmental Delegate and the members of the Eco Audit Team and are tracked on an ongoing basis as regards their implementation. Primary responsibility for the use and maintenance of the Environmental Management System lies with the Environmental Delegate. The works council is involved at all times in all matters of environmental protection.

The plan is to fully integrate the management systems for quality and environment, to include safety at work as well. The co-ordinator for quality and environment is responsible for this. Numerous documents, such as instructions, which apply to both systems already exist.

The way the Environmental Management System is organised has clearly proved itself in the three years of its existence. Regular training sessions and open discussions have had the effect of anchoring environmental awareness at all levels of the workforce.

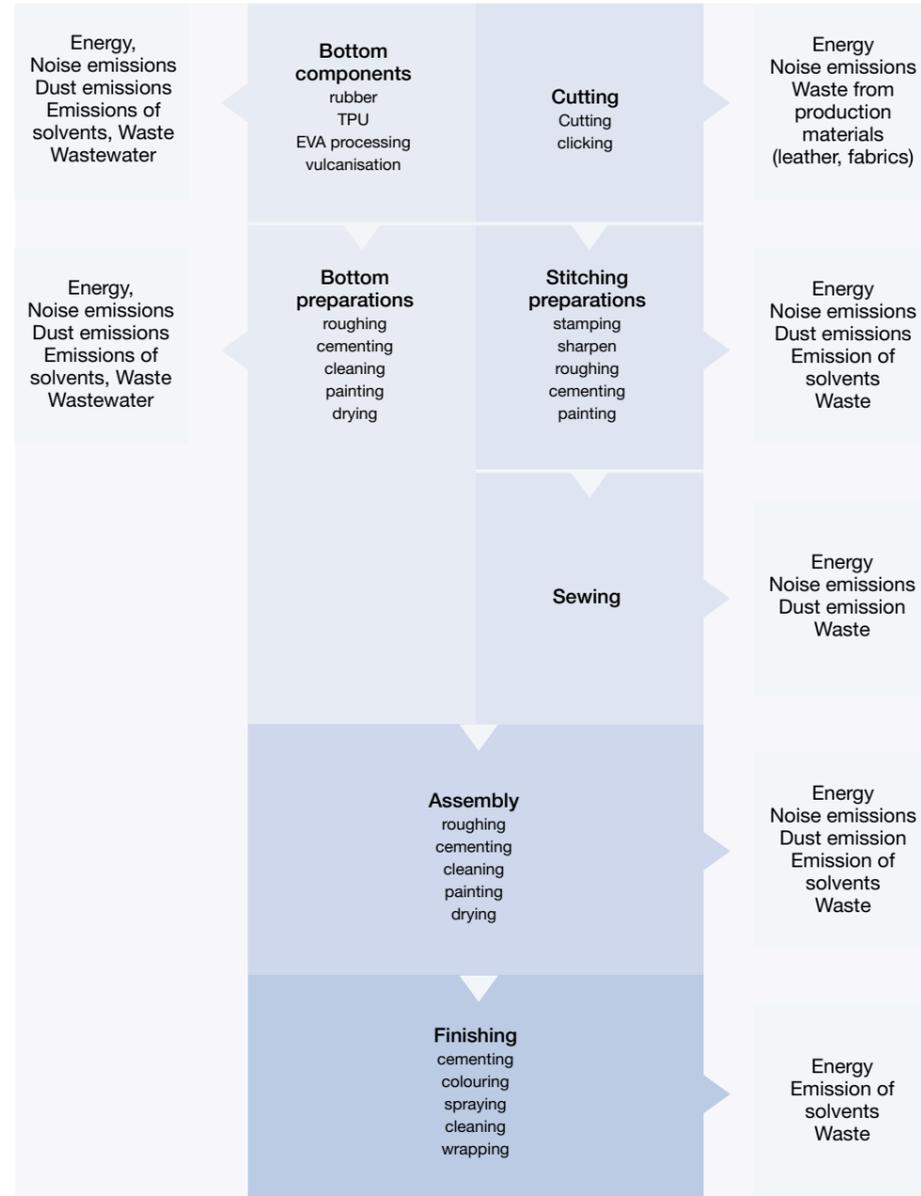
Regular in-house environmental operational checks ensure on the one hand that the effectiveness of the management system is permanently monitored and on the other hand that the functional capability of the defined environmental programmes is documented. Adherence to the statutory requirements is checked regularly and validated through ongoing support from the external INTECHNICA adviser.



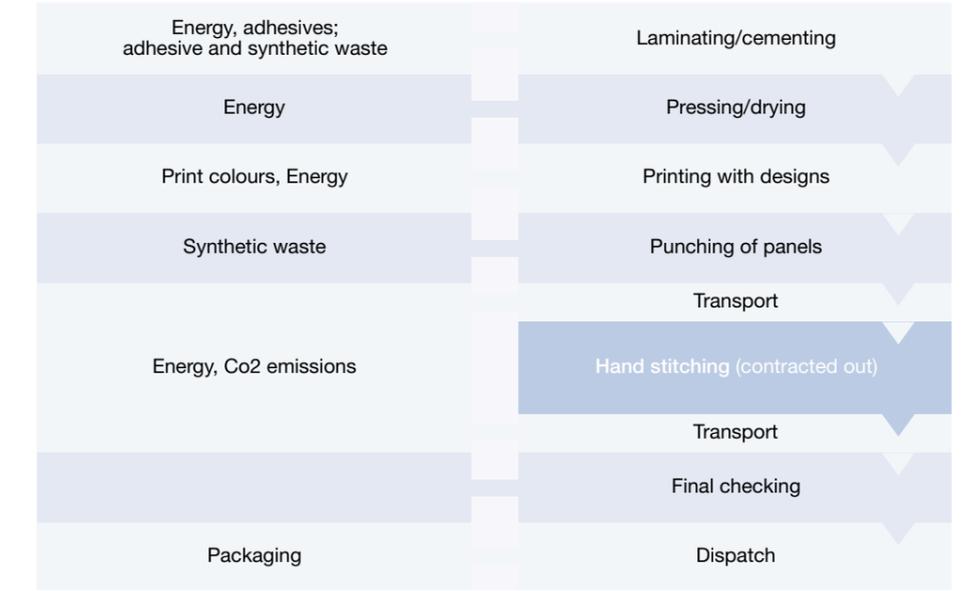


Environmental impact

Steps of footwear production and environmental impact



Steps of football production and environmental impact



Environmental impact

Indirect Environmental Impact

The primary concern here is the product-specific impact. This is defined in the new EMAS Regulation under the following headings:

- product-specific effects (design, development, packaging, transport, use and recycling/disposal of waste),
- capital investment, granting of credit and insurance services,
- new markets,
- selection and combination of services (e.g. transport or catering industry),
- administration and planning decisions,
- composition of product range,
- environmental performance and environmental behaviour of contractors, subcontractors and suppliers.

Sourcing of materials and components

In a first step, the following major indirect environmental effects were recorded and evaluated on a site-specific basis:

- Transport-induced emissions relating to the sourcing of raw materials for the mass production of Copa Mundial and World Cup football boots and raw materials for ball production.
- Environmental impact of emissions associated with the relocation of the uppers production and ball stitching lines.

Transport kilometres associated with main products in 2000

Purchase of raw materials for Copa Mundial /	179,633 km
World Cup:	of which 26,984 km by sea
Purchase of raw materials for footballs	22,075 km
Upper production	69,163 km
Ball stitching	164,416 km

As we do not have any information regarding the lorries used or their diesel consumption, we have been forced to make informed guesses.

- Average fuel consumption is assumed to be 25L diesel / 100 km
- Average reliable total weight is assumed to be 20t
- Harmful substance class European standard 2

In this way it is possible to calculate the transport-induced emissions of various harmful substances using data contained in the guidelines, "Transport in environmental management" (published by the Federal Environmental Agency in 1999). No figures are available regarding shipments by sea.

Based on the above assumptions, the volumes of transport-induced emissions for the harmful substances listed below are as follows:

Carbon monoxide (CO)	480 kg
Hydrocarbons (VOC)	300 kg
Nitrogen oxide (NOx)	2.000 kg
Particles	120 kg
Carbon dioxide (CO ₂)	290 t



Development and design

adidas-Salomon AG's strategy for product life cycles – from design through to disposal – is based on the requirements defined regarding the content of noxious substances in the raw materials used and also the guidelines for monitoring and checking materials.

Environmental acceptability studies prepared by external consultants constitute an integral element in the assessment for environmental acceptability of the primary components used in products.

We plan to replace all PVC in our products by the end of 2002, with the exception of a few function-oriented sports equipment products for which there is still no suitable alternative to PVC.

Disposal of products

Disposal and recycling options for sports footwear and ball products have been investigated in a number of studies. Lessons learned and other information obtained from industrial companies in the waste disposal industry and from official organisations have been considered, amongst other inputs.

Particular attention has been paid here to the question of whether separate recording of products and their constituent materials, and hence special "disposal logistics", would be of ecological benefit. Currently such data as is available is inadequate to serve as the basis for recommendations on specific disposal options.

In this connection, Scheinfeld is making an effort to get involved in projects on the subject of "Integrated Product Policy (IPP)". Here it is a matter of concentrating on the product itself and its direct and indirect environmental impact throughout its entire life cycle. The aim is to place all those involved in the chain, from product developers through to end-users, under an obligation to co-operate in avoiding waste and emissions.

	1995	1996	1997	1998	1999	2000
Materials used in footwear production	Raw materials, shoe production					
	Leather and textile materials		149,000 m ²	127,100 m ²	153,194 m ²	209,722 m ²
	Granulated PU		31.0 t	35.0 t	48.2 t	66.0 t
	Leather dyes		323 kg	271 kg	327 kg	448 kg
	Semi-finished products		80.0 t	67.3 t	87.8 t	120.2 t
	Miscellaneous small items		10.0 t	8.3 t	10.0 t	13.7 t
	Shoebboxes and outcartons		93.0 t	78.0 t	94.0 t	128.7 t
	Fabric bags		1.2 t	0.9 t	1.1 t	1.5 t
	Labels & adhesive tape		1.3 t	1.0 t	1.2 t	1.6 t
	Ancillary materials and consumables					
Adhesives, thinners & solvents			39 t	32 t	39 t	53 t
Shoes produced						
	509,071 pairs	486,268 pairs	373,000 pairs	317,858 pairs	400,000 pairs	547,635 pairs
Materials used in ball production	Raw materials, ball production					
	Sheet materials		138,278 m ²	136,756 m ²	158,387 m ²	142,326 m ²
	Latex adhesives		28 t	26.0 t	30.0 t	26.7 t
	Screen printing dyes		153 kg	151 kg	167 kg	150 kg
	Packaging materials		27 t	26.7 t	31.0 t	27.9 t
	Ancillary materials and consumables					
	Solvents		32.0 kg	31.0 kg	36.0 kg	32.3 kg
Balls produced						
		126,000 pcs.	124,606 pcs.	148,009 pcs.	132,993 pcs.	
Drinking water consumption	Sanitation purposes	2,128 m ³	2,251 m ³	2,232 m ³	2,382 m ³	2,284 m ³
	Sprinkler checks	40 m ³	40 m ³	40 m ³	119 m ³	40 m ³
	Total consumption	2,168 m ³	2,291 m ³	2,272 m ³	2,501 m ³	2,324 m ³
						2,610 m ³
Energy consumption	Electricity	2,082,384 kWh	1,805,873 kWh	1,698,453 kWh	1,674,423 kWh	1,474,824 kWh
	Natural gas					
	EL fuel oil	3,152,665 kWh	3,836,734 kWh	3,460,000 kWh	3,600,284 kWh	4,022,126 kWh
	Total consumption	5,235,049 kWh	5,642,607 kWh	5,158,453 kWh	5,274,707 kWh	5,496,950 kWh
Waste	For recycling					
	Paper & cardboard packaging	114.0 t	106.0 t	108.0 t	98.3 t	65.0 t
	Films	11.2 t	10.9 t	11.5 t	9.1 t	
	Wood					8.6 t
	Green waste				25 m ³	14 m ³
	Fluorescent lamps*	435 pcs.	700 pcs.	819 pcs.	1514 pcs.	520 pcs.
	Used solvents, adhesive residue*				0.95 t	
	Waste for thermal recovery					62.90 t
	For disposal					
	Industrial waste	103.0 t	98.0 t	90.0 t	95.7 t	18.2 t
	Biowaste, food leftovers			15.0 t	15.0 t	13.0 t
	Grease separator contents			2.0 t	2.0 t	2.0 t
	used solvents, adhesive residue*			2.7 t	0.64 t	1.69 t
	PU residue*				2.64 t	
	Fine chemicals*				0.27 t	
	Resin residues*				0.23 t	
	Obsolete varnishes and paints*				0.30 t	
	Mesamoll plasticizer*				2.83 t	
	Oil-water mixture*				0.08 t	
Solvent-containing supplies, solid*	3.9 t	3.8 t	2.3 t	3.46 t	3.58 t	
					0.11 t	

* Waste that needs to be specially monitored

Water/Wastewater

Our low in-house water consumption rose by 4.4% to 2,591 m³ compared with 1998.

When this is normalised to the number of shoes produced, specific water consumption declined by over 39% in the comparison period 1998–2000. This is a sign of the improved productivity that has been achieved at Scheinfeld.

Energy

Overall energy consumption rose during the period under consideration, 1998–2000, by 15.5%.

Whereas electricity consumption was reduced by a gratifying 6.6%, energy consumption for heating purposes rose by 25.75%. This increase is due to the expansion of production in parts of buildings that were formerly used purely for storage purposes. In addition, use of our office and training facilities has increased over the last few years.

If electricity, fuel oil and gas consumption are once again normalised to the quantities of shoes and balls produced, it becomes evident that specific electricity consumption on the site has declined by more than 49% while specific total energy consumption has dropped by 37%.

The almost completed implementation of the lighting concept, the optimisation of compressed air supply and a variety of organisational measures such as training and motivating staff are thus having clear effects on electricity consumption.

Emissions

The use of fossil fuels for heating purposes results in emissions of other air pollutants in addition to CO₂. Calculations based on consumption figures suggest the following emissions:

SO ₂ (kg)	1803,3	1626,2	1692,1	1890,4	251,4
CO ₂ (t)	997,6	899,6	936,1	1045,8	932,4
NOx (kg)	498,8	449,8	468,0	522,9	792,5
CO (kg)	959,2	865,0	900,1	1005,5	1009,5
Dust (kg)	7,7	6,9	7,2	8,0	1,3
NMVOCs (kg)	153,5	138,4	144,0	160,9	58,7

Simply by changing over to the more environmentally friendly energy source of gas, approximately 30% less CO₂ and other noxious substances have been emitted since 2001.

Solvent-based adhesives and pure solvents are used in shoe production. The volatile matter is released into the environment through extraction. The same applies in the area of screen printing in ball production.

Total emissions of organic solvents for the year 2000 came to 27,854 kg.

When these figures are made specific to one pair of shoes, we obtain a diffuse solvent emission of 50.9 g/pair. The limit in the VOC Directive that has to be achieved Europe-wide by 2007 is 25 g/pair shoes. The plan is to achieve this target ahead of the mandatory date, in three years from now at most.

Waste

The total quantity of waste rose by just under 6% compared with 1998. However, it should be noted that the time interval between individual disposals for some waste items, especially for large items like waste paper and cardboard packaging that are quantified by weight, may be different, so that the year of disposal and the year of origin do not necessarily agree. This has the effect of distorting the figures, which only even themselves out over a longer period of observation.

However, the effect of the waste management concept, with improved segregation of waste materials, avoidance of waste and recycling, e.g. of cardboard packaging for transport purposes, are having a clear effect. The objective of reducing the amount of waste that has to be disposed of by 10% has already been comfortably exceeded. The recycling ratio, i.e. the amount of waste that is recycled expressed as a proportion of total waste, rose by 54% between 1998 and 2000 to over 80%.

The drop in the amount of domestic household-like industrial waste from over 90t in 1997/98 to 29t in 2000 should be noted. Improved segregation of waste has meant that a substantial amount of waste is now suitable for energy recycling and therefore no longer needs to be placed in a landfill site.

This has the effect of sparing natural resources and saving considerable amounts on disposal at Scheinfeld. When normalised to the quantity of shoes produced, the specific volume of waste has declined by 40%. The specific volume of waste that needs to be specially monitored has even declined by over 73%. Over half of the waste generated that needs to be specially monitored consists of solvent-contaminated rags which are disposed of in accordance with the regulations. As a result of continual improvement of the production stages in which the use of solvents and adhesives is unavoidable, we have succeeded in making significant gains here. During the period under consideration the specific volume of dirty rags contaminated with solvent was reduced by 32%.



Environmental Programme – Objectives and Measures

A number of measures have contributed to the continuous improvements in industrial environmental protection at Scheinfeld. Additional activities are planned for the coming years. These are oriented towards our environmental policy, the global objectives of adidas-Salomon AG and Scheinfeld-specific factors. Responsibilities and the resources that are necessary are determined internally.

	Objectives	Measures	Date
Energy management	Reduce electricity consumption by 5%	<ul style="list-style-type: none"> • Implement the lighting concept in the export warehouse • Take into consideration low electricity and compressed air consumption when planning operational resources • Carry out regular checks for leakages in the supply of compressed air • Change laminating process in ball production so that drying process is no longer required 	2001 Ongoing Ongoing 2001
	Reduce use of fossil fuels	<ul style="list-style-type: none"> • Use new injection moulding machine for PU sole production • Recover heat from the compressor 	2002 2002
Product	Minimise environmental impact at all stages of the life cycle of a football boot	<ul style="list-style-type: none"> • Analyse the "Copa Mundial" product, applying the Integrated Product Policy (IPP) strategies 	2003
Emissions	Reduce diffuse solvent emissions by 50% to 25g/pair of shoes	<ul style="list-style-type: none"> • Improve capture of data relating to solvent consumption in the area of mass shoe production • Use enclosed dispenser systems for adhesives and solvents • Acquire a hot-melt machine for solvent-free cementing of components • Create an annual statement of solvent quantities • Increase use of hot-melt technology 	2002 2002 2002 Ongoing 2003
	Use environmentally benign raw materials	<ul style="list-style-type: none"> • Continue trials and studies on the use of more environmentally benign substances in the production process (e.g. water-soluble adhesives, hot-melt) 	Ongoing
	Reduce latex usage by 20%	<ul style="list-style-type: none"> • Use PVC-free materials • Change ball production processes 	2002 2001
Environmental data	Originator-based capture of environmental data	<ul style="list-style-type: none"> • Expand data on materials purchased to include environmentally relevant aspects 	Ongoing

	Objectives	Measures	Date
Waste management	Reduce the amount of waste requiring disposal by 10%	<ul style="list-style-type: none"> • Purchase pre-fabricated fabric and outer materials in ball production • Improve segregation of different waste categories still further 	2001 2002
	Further develop the Environmental Management System	<ul style="list-style-type: none"> • Add to and update the management manual • Display information on environmentally relevant aspects on noticeboards • Purchase new, easy-to-read information boards • Provide regular training on relevant environmental factors as part of regular staff training 	Ongoing Ongoing 2001 Ongoing
Communication	Pass on environmentally relevant knowledge to international suppliers	<ul style="list-style-type: none"> • Hold seminars for international trainees on environmentally relevant subjects • Arrange for raw materials suppliers to provide training on environmentally relevant subjects 	Annually As required
Scheinfeld site	Reduce paved and impermeable areas	<ul style="list-style-type: none"> • Plant greenery in front of the Aditeria • Create lawns in front of test centre area • Plant trees along the site boundaries 	2002 2002 2003

Objectives achieved 1998-2001

	Objectives	Measures carried out	Status
Energy management	Reduce electricity consumption by 5%	• Power load management system installed	100%
		• Lighting concept created for export warehouse	100%
		• Lighting concept implemented	75%
		• Additional stop valves installed for the compressed air system	100%
Reduce fuel oil consumption by 10%	• Low electricity and compressed air consumption taken into consideration during planning of operational resources	Ongoing ✓	
	• Regular checks made for leakages in the supply of compressed air	Ongoing ✓	
Waste management	Reduce the amount of waste requiring disposal by 10%	• Integrated heating system concept developed for boilers	100%
		• Integrated heating system concept implemented	100%
Waste management	Hazardous materials	• Waste management concept developed	100%
		• Possibilities for substituting alternative materials examined	Ongoing ✓
Data capture	Generate specific environmental figures	• Concept for collection of consumption data by category	Ongoing ✓
		• Additional meters (electricity, water etc.) installed	Ongoing ✓
Data capture	Set up an eco-accountability structure	• Purchasing and sales data amplified to include environmentally relevant aspects	Ongoing ✓
Information	Give employees more information	• Notices on information boards	Ongoing ✓
		• Environmental aspects included in regular staff training	Ongoing ✓
General		• Concept development	*)
		• Extensive roof gardening	
General		• Plant greenery in external areas	
		• Reduce paved and impermeable areas	*)

*) Objectives will be updated in the new environmental programme.

Contact Partner on Environmental Issues

If you have any questions or require any further information, please contact us at the following address:

adidas-Salomon AG
 World of Sports
 Social and Environmental Affairs Tel.: 00 49 (91 32) 84 - 0
 D-91074 Herzogenaurach E-Mail: sustainability@adidas.de

Presentation of Next Environmental Statement

The next Environmental Statement will appear in August 2004.
 Simplified Environmental Statements will be prepared by Scheinfeld for the years 2002 and 2003.

Environmental Verifier's Organisation

Michael Sperling Gerling Cert
 D-V-0101
 Umweltgutachter GmbH
 Frankfurter Str. 720–726
 51145 Köln

Registrierungsurkunde



Adidas-Salomon AG
 Sportartikelhersteller

Standort Scheinfeld
 Adi-Dassler-Straße 24-26
 91443 Scheinfeld

Register-Nr: D-158-000048

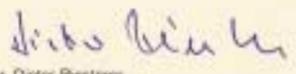
Ersteintragung am
21. September 1998

Diese Urkunde ist gültig bis
 31. August 2004

Diese Organisation wendet zur kontinuierlichen Verbesserung der Umwelleistung ein Umweltmanagementsystem nach der EG-Verordnung 761/2001 an, veröffentlicht regelmäßig eine Umwelterklärung, lässt das Umweltmanagementsystem und die Umwelterklärung von einem zugelassenen, unabhängigen Umweltgutachter begutachten, ist eingetragen im EMAS-Register und deshalb berechtigt, das EMAS-Zeichen zu verwenden.

**INDUSTRIE- UND
 HANDELSKAMMER
 NÜRNBERG FÜR
 MITTELFRANKEN** 

Nürnberg, 18. Oktober 2001



Dr. Dieter Reisterer
 Hauptgeschäftsführer

VALIDATION

The **adidas-Salomon AG** determined an environmental policy at its location **Global Technology Center in Scheinfeld**, maintains and applies an environmental management system, updated an environmental program, executed an environmental audit of operating results and creates a new environmental assertion.

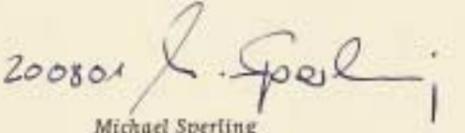
In the name of the accredited environmental verifier organisation, Mr. Michael Sperling has established that

- the environmental policy, the environmental management system, the environmental program, the methodology and execution of the environmental audit of operating results as well as the environmental assertion are due to the specifications of the 'Regulation (EC) No. 761/2001 of the European Parliament and of the Council of 19th March 2001 allowing voluntary participation by organisations in a Community eco-management and audit scheme' (EMAS II) and
- the specification in the environmental assertion 2001 as well as in the simplified environmental assertions of the past two years are reliable and all environmental questions, which are of importance for the location, are to be considered in appropriate way.

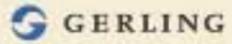
This statement are based on the insight into relevant documents, tours of the site installations and interviews with the personnel.

Hereby the environmental assertion 2001 is explained for valid.

In the name of the environmental verifier organisation:

200801 
 Michael Sperling

Gerling Cert Umweltgutachter GmbH • Gersenhof 14 – 18 • 50670 Köln



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This Environmental Statement
was prepared in collaboration
with INTECHNICA, environmental
and management consultants,
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