

**Progress Report on adidas Group Individual Roadmap towards Zero Discharge of Hazardous Chemicals
Updated June 2014**

In November 2011, the adidas Group issued a public statement including individual company commitments with regard to the elimination of the discharge of hazardous chemicals in its supply chain. The statement is available on the adidas Group [corporate website](#).

These commitments reflect the specific actions which the adidas Group has committed to carry out in order to contribute to the *Joint Roadmap of Zero Discharge of Hazardous Chemicals* (“*Joint Roadmap*”), a plan agreed by a group of major apparel and footwear brands and retailers that are committed to help lead the industry towards zero discharge of hazardous chemicals by 2020.

Detailed information about the Joint Roadmap and the progress made to date are publicly reported under <http://www.roadmaptozero.com/>.

The adidas Group’s commitment to the Joint Roadmap is rooted in our firm belief that the goal of “*Zero Discharge*” demands collective action. In fact, the management of chemicals in multi-tiered supply chains is a complex challenge, requiring many actors to play a role in developing effective and sustainable solutions. We are convinced that, through effective collaboration and a stringent regulatory environment as set by governments, significant progress can be achieved in the years to come.

In the following, we report on progress made to date on our individual commitments:

1. Overall adidas Group Commitment

The adidas Group is committed to the goal of zero discharge of hazardous chemicals by 2020. Our commitment to this goal is made clear through our unconditional support of the Joint Roadmap version 1 launched in November 2011.

Progress to date

We share concerns about pollution of the aquatic environment, in particular in less developed countries and emerging market economies.

We continue to uphold and fulfil the commitments in our company Roadmap. And to aid us in this, we became a founding member of the Zero Discharge of Hazardous Chemicals (ZDHC) initiative, launched to drive change in industry practices. Since its launch, the adidas Group has significantly contributed to the achievement of the goals and annual milestones set in the Joint Roadmap, financially and in kind. You can access the organisation’s website to find out more about all the projects: <http://www.roadmaptozero.com/news.php>.

2. Commitment: Targeting the Release of Hazardous Chemicals

The adidas Group will conduct an internal survey to understand the requirements, needs and constraints from different business units regarding the use of perfluorinated chemicals (PFCs).

Progress to date

To understand the diverse origin and use of PFCs, the adidas Group participated in comprehensive water repellency chemistry research in the framework of the ZDHC work. The research report is available [online](#). Findings from this project helped us define a stringent process for phasing out long-chain fluorinated chemicals. The adidas Group has already committed to phase out the use of [long-chain PFCs](#) by no later than January 1, 2015. As a further step, the company has committed to being 90% PFC free in its products as of June 15, 2014, and 99% PFC-free by no later than December 31, 2017.

3. Commitment: Comprehensive List of Chemicals

The adidas Group will develop its own list of chemicals used in apparel/footwear manufacturing which will contribute to the overall ZDHC group effort in the development of a comprehensive list of chemicals used in the industry.

Progress to date

For years, the adidas Group has been running leadership programmes that address the topic of chemicals within its area of direct influence. Important steps have been outlined and published on our [corporate website](#). We continue to pilot and field-test tools for pre-screening chemicals and we are in constant dialogue with international testing institutes as well as third-party service providers who have, over the years, developed profound knowledge in textile chemistry and provide guidance on technically viable solutions for sound chemical management.

In order to further guide our suppliers with input chemical chemistry selection, we are partnering up with bluesign® and we are going to implement their chemical data management system, the bluefinder. With this, our suppliers select best-in-class chemicals through the bluesign® bluefinder, so that they can produce materials using chemicals that are included in the database.

4. Commitment: Audit Protocols

The adidas Group will contribute to the development of a joint generic audit approach, a shared dye house and printer audit protocol and a programme to incentivise suppliers to fulfil dye house and printer audit protocols, with all our existing comprehensive in-house environmental risk screening and audit tools.

Progress to date

Drawing upon our years of experience in working with and auditing our material suppliers against our detailed [environmental standards](#), the adidas Group took a major role in the provision and coordination of technical input to develop a joint generic audit protocol and tool which are currently being pilot-tested in the field again in the framework of the ZDHC.

5. Commitment: Training

The adidas Group will complement internal meetings, supplier meetings and regular factory site visits and audits with internally managed training.

Progress to date

The adidas Group is actively involved in the development of a standard training curriculum for suppliers, chemical manufacturers, environment, health & safety staff, etc. around the context of ZDHC-related issues such as chemical management and hazardous chemicals. This training programme was formally launched in January 2014 for the industry as a whole in line with our belief that the goal of “Zero Discharge” demands collective and concerted action. The curriculum will continue to be developed over time to reflect the learnings achieved through the multiple ZDHC projects.

Furthermore, through its active participation and membership in the Apparel and Footwear International RSL Management (AFIRM) Working Group, the adidas Group has supported the development of the supplier tool kit providing comprehensive guidance on the elimination of restricted substances from finished products, while extensive information about chemical discharge into wastewater, air emissions and solid waste is available in the [chemical guidance document](#). Comprehensive training has been given to suppliers during AFIRM seminars held in Asia.

6. Commitment: Disclosure and Communication

The adidas Group will engage with its suppliers to further understand their needs for confidentiality and clarity when it comes to disclosure. Through regular and effective internal communication we will ensure that the adidas Group business entities and project management fully understand the scope, content and complexity of this Roadmap.

Progress to date

As part of our commitment to transparency, all relevant policies, guidelines and procedures that the Group has put in place to ensure sound chemical management in our supply chain are publicly available. Policy implementation is ensured by a team of experts deployed on the ground and also independent laboratory testing.

Key policies are as follows:

- The [Restricted Substances Policy](#) for product materials, prohibiting the use of chemicals considered as harmful or toxic. This ensures consumer safety.
- The adidas Group’s [Health & Safety Guidelines, Environmental Guidelines and the Guide to Best Environmental Practice](#), with standards for suppliers on handling, storage and disposal of chemicals, as well as standards for wastewater treatment and effluents. These guidelines include a list of chemicals prohibited in the manufacturing processes.
- The adidas Group has put in place a clear policy for our suppliers to follow in case any of them is listed in the “Pollution Map Database” of the Chinese Institute of Public and Environmental Affairs (IPE), a public and online database which tracks all air and

water violations by factories throughout China. Should this happen, the supplier is required to take immediate remedial action to address the non-compliance identified, in close communication with IPE.

- 99% of the China-based “wet processes” will be disclosed on the IPE platform by the end of 2014. Subsequently, the company is committing to achieve the disclosure of 50% of all “wet processes” across its global supply chain by no later than December 31, 2015, and of at least 80% by no later than July 1, 2016, via the IPE Detox platform.

Furthermore, to fully map out chemical management practices in the production phase, the adidas Group has substantially contributed to the Benchmarking Report carried out by the ZDHC, which has been published on the ZDHC website, <http://www.roadmaptozero.com/programme-documents.php>. The study is the result of site visits conducted at 20 suppliers in Asia. Test results revealed that none of the factories was releasing untreated wastewater into a surface water body or to a municipal treatment system and, in the majority of cases, factory discharge was well below any available discharge limits for effluent.