

Modern Slavery Act Transparency Statement

The following statement has been prepared under the UK Modern Slavery Act 2015 and the Modern Slavery Act 2018.

The reporting entities covered by this Modern Slavery Act Transparency Statement are adidas (UK) Limited and Reebok International Limited UK and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020.

Background

adidas and Reebok have been supportive of the enactment of the UK and Australia modern slavery legislations, specifically its provisions for driving greater transparency and disclosure of the actions taken by companies to identify and address forced labour and human trafficking in global supply chains.

adidas and Reebok are proud of the steps we have taken to combat modern slavery and human trafficking described in this statement and supporting documents. We are committed to improving our practices to ensure that our preventive and remedial efforts continue to be relevant, timely and effective.

Supply Chain Structure

Both adidas (UK) Limited and Reebok International Limited are wholly owned subsidiaries of adidas AG (“adidas”), which is a publicly listed company on the German stock exchange. adidas’ products, which are distributed and sold to consumers in the United Kingdom, are manufactured in a variety of countries from around the world. The company’s global supply chain extends through various tiers from strategic manufacturing partners, to componentry and materials suppliers, to raw material sources, such as cotton, leather and natural rubber. For more information on our supply chain structure and to view our global supplier lists, see: <https://www.adidas-group.com/en/sustainability/managing-sustainability/human-rights/supply-chain-approach/>

Policies

We are well aware of the risks of modern slavery and human trafficking in global supply chains and have been actively monitoring and assessing the potential for adverse human rights impacts of human trafficking, forced labour and bonded labour for many years. We have clear and well-defined policies on human trafficking and slavery, and well-established due diligence processes for our own business and our supply chain, as well as a dedicated monitoring team within the company’s Global Legal Division. For more information on our forced labour and human trafficking policy and approach, see: <http://www.adidas-group.com/s/factory-workers>

Due-Diligence, Risk Assessment and Training

At adidas we have a mature social compliance programme, which was founded at the end of 1990’s. Our programme was developed around a set of Workplace Standards, which incorporate core international labour rights and human rights conventions.

Forced labour, child labour and migrant labour are issues which we have dealt with in the past and which we continue to address through our monitoring of our direct supply chain (where we have formal



contractual relationships) and through our Modern Slavery Outreach Programme, which we established in 2016 to increase the depth and breadth of our work on potential modern slavery risks in our upstream supply chain including Tier 2 processing facilities and Tier 3 raw material sources.

Five years after the launch of the [modern slavery outreach program](#), we have reached an increased understanding of the potential risks associated with modern slavery in our upstream supply chain. In this time, we have engaged extensively on human rights and forced labour industry benchmarks and have identified and filled gaps in our policies and practices, which has led us to secure the highest ratings in those benchmarks

In December 2019, we published a review of our Modern Slavery Risk Assessment and disclosed our approach to assessing and addressing identified risks across three priority topics: Responsible Recruitment, Forced and Child Labour Risks in Raw Material Sourcing and Regulatory Needs and Issues-Driven Risks. See: <https://www.business-humanrights.org/en/latest-news/adidas-modern-slavery-risk-assessment-review/>

We measure our suppliers through an annual social compliance Key Performance Indicator. The indicator evaluates a supplier's compliance with our Workplace Standards, which include a prohibition against the use of any form of forced labour, child labour or human trafficking. Information on the social compliance performance rating of our key strategic suppliers in 2020 can be found in our [annual report](#). Suppliers are also expected to apply appropriate due diligence measures to their subordinate subcontracting relationships to prevent and mitigate human and labour rights issues, including forced labour.

Forced Labour in High-Risk Locations

In recent years, increased attention has been given to potential forced labour risks in high-risk locations in Central Asia, including Uzbekistan, Turkmenistan, and China's Xinjiang region. With respect to Xinjiang, we have engaged extensively with our China suppliers and reiterated our strict prohibition on all forms of forced labour, including prison labour. We have issued advisories to those same suppliers, informing them of their obligations to meet relevant government sanctions and trade restrictions. And we have conducted due diligence to ensure that supply chain partners are not linked to entities suspected of involvement in serious human rights harms or forced labour. More information is available in our 2020 Modern Slavery Progress Report.

To view a summary of 2020 activities and the actions we have taken to assess and address modern slavery and human trafficking see our 2020 Modern Slavery Progress Report [here](#).

Partnerships

Engaging openly with stakeholders and establishing leadership approaches for transparency and disclosure is a fundamental part of our approach to sustainability. We use an extensive and ongoing multistakeholder fora to elicit industry, government and civil society feedback on our work. See:

https://www.adidas-group.com/media/filer_public/d3/07/d307bf6e-7175-4122-9411-60a5169da997/2017_2018_cross_section_of_stakeholder_feedback.pdf

To learn more about our partnerships approach see: <https://www.adidas-group.com/en/sustainability/managing-sustainability/partnership-approach/>

In 2020 **adidas ranked first in our sector** and in the top 5 companies globally among 230 of the world's largest publicly traded companies in the Corporate Human Rights Benchmark (CHRB) that assesses

companies on their human rights performance. We have benchmarked our policies and practices on human rights against publicly disclosed information and have made the annual CHRB disclosure platform as our primary vehicle for tracking and reporting on human rights risks.

If any consumer has a concern or question related to adidas' approach to tackling human trafficking and slavery, please write to us at: modernslavery@adidas.com

This statement is made pursuant to s54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020.

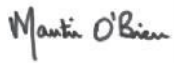
This statement was approved by the Boards of both **adidas (UK) Limited** and **Reebok International Limited**



Gavin Thomson - Senior Vice President & General Manager

adidas (UK) Limited

Date: June 2021



Martin O'Brien - Director

Reebok International Limited

Date: June 2021