



**adidas AG  
Herzogenaurach**

**ISIN: DE000A1EWWO**

We are herewith inviting our shareholders to the

**Annual General Meeting**

which takes place

**on Thursday, May 12, 2016, 10:30 a.m. (entrance from 09:30 a.m)**

in the Stadthalle Fürth, Rosenstrasse 50, 90762 Fürth, Germany.

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## I. Agenda

- [1] Presentation of the adopted annual financial statements of adidas AG and of the approved consolidated financial statements as of December 31, 2015, of the combined management report of adidas AG and of the adidas Group, the Explanatory Report of the Executive Board on the disclosures pursuant to §§ 289 sections 4 and 5, 315 section 4 German Commercial Code (Handelsgesetzbuch - HGB) as well as of the Supervisory Board Report for the 2015 financial year**

As, in accordance with the legislative intention, the presentation of the above-mentioned documents only serves the purpose of informing the Annual General Meeting, no resolution will be passed on this agenda item. The 2015 annual financial statements have already been approved by the Supervisory Board and have thus been adopted.

- [2] Resolution on the appropriation of retained earnings**

The Executive Board and the Supervisory Board propose to resolve upon the appropriation of retained earnings amounting to EUR 642,641,456.83 which were reported in the adopted annual financial statements of adidas AG as per December 31, 2015, as follows:

Payment of a dividend of EUR 1.60 per no-par-value share on the dividend-entitled nominal capital, i.e. EUR 320,315,867.20 as total dividend and carrying forward the remaining amount of EUR 322,325,589.63 to new account. The dividend shall be payable on May 13, 2016.

Total dividend	EUR	320,315,867.20
<u>Carried forward to new account</u>	<u>EUR</u>	<u>322,325,589.63</u>
Retained Earnings	EUR	642,641,456.83

The proposal on the appropriation of retained earnings takes into account 9,018,769 treasury shares held by the Company (as at March 22, 2016), which are not entitled to payment of a dividend pursuant to § 71 b of the German Stock Corporation Act (Aktiengesetz - AktG). The number of shares entitled to dividend payment may decrease or increase until the Annual General Meeting due to a further repurchase of treasury shares (with or without subsequent cancellation of the shares) or the sale or issuance of shares. In this case, the Executive Board and Supervisory Board will present to the Annual General Meeting an adjusted resolution on the appropriation of retained earnings including an unchanged dividend of EUR 1.60 per no-par-value share entitled to dividend payment. The adjustment will be made as follows: In case the number of shares entitled to dividend payment, and thus the total amount of dividend, is reduced, the amount to be carried forward to new account increases accordingly. In case the number of shares entitled to dividend payment, and thus the total amount of dividend, increases, the amount to be carried forward to new account is reduced accordingly.

**[3] Resolution on the ratification of the actions of the Executive Board for the 2015 financial year**

The Executive Board and the Supervisory Board propose the ratification of the actions of the Executive Board members for the 2015 financial year.

**[4] Resolution on the ratification of the actions of the Supervisory Board for the 2015 financial year**

The Executive Board and Supervisory Board propose the ratification of the actions of the Supervisory Board members for the 2015 financial year.

**[5] Resolution on the amendment of § 9 section 1 (Composition of the Supervisory Board) of the Articles of Association**

Currently, the Supervisory Board of adidas AG is composed of twelve members pursuant to § 9 section 1 of the Articles of Association in conjunction with §§ 96 section 1, 101 section 1 AktG and § 7 section 1 sentence 1 number 1 German Co-Determination Act (Mitbestimmungsgesetz – MitbestG). Six members are elected by the shareholders and the other six members are elected by the employees.

In order to reflect the enhanced requirements for the Supervisory Board's work in terms of diversity and internationalisation attributable to the growth of the Company and the Group, the number of Supervisory Board members shall be increased from currently twelve to sixteen members in the future. This results in the creation of four additional seats, one half of which shall be occupied by Supervisory Board members elected by the shareholders and the other by Supervisory Board members elected by the employees.

The Executive Board and the Supervisory Board therefore propose to resolve as follows:

§ 9 section 1 of the Company's Articles of Association shall be reworded as follows:

*"1. For the composition of the Supervisory Board, § 7 section 1 sentence 2 in conjunction with § 7 section 1 sentence 1 number 2 German Co-Determination Act (Mitbestimmungsgesetz - MitbestG) shall apply. The Supervisory Board shall thus be composed of 16 members to be elected pursuant to the provisions of the MitbestG, that is of*

- a) eight members to be elected by the shareholders and*
- b) eight members to be elected by the employees."*

**[6] Election of additional Supervisory Board members**

Following the entry into force of the amendment to the Articles of Association to be resolved upon under Agenda Item 5, in accordance with § 9 section 1 of the Articles of Association in conjunction with §§ 96 section 1, 101 section 1 AktG and § 7 section 1 sentence 2 in conjunction with § 7 section 1 sentence 1 number 2 MitbestG, the Supervisory Board of adidas AG is composed of 16 members in total, eight of which are to be elected by the shareholders and further eight to be elected by the employees.

In addition to the six employee representatives, the Supervisory Board of adidas AG is currently composed of six members elected by the shareholders, whose term of office expires with the end of the Annual General Meeting 2019. Thus, this Annual General Meeting shall elect the two additional shareholder representatives whose terms of office shall commence with the entry into force of the amendment to the Articles of Association to be resolved upon under Agenda Item 5.

It is intended to carry out the Supervisory Board elections by individual voting.

The following election proposals are based on the recommendations of the Supervisory Board's Nomination Committee. The recommendations were made based on the legal requirements and while taking into consideration the objectives for its composition resolved by the Supervisory Board.

When electing candidates for the Supervisory Board, a minimum quota of 30 percent women and men needs to be taken into consideration as of January 1, 2016 in accordance with the Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector (§ 25 section 2 EGAktG). Accordingly, even after an enlargement of the Supervisory Board, at least 30 percent of the members of the Supervisory Board have to be female and 30 percent male (§ 96 section 2 sentence 1 AktG).

For the elections at the Annual General Meeting on May 12, 2016, the shareholder representatives as well as the employee representatives made use of an according legal possibility and have each objected the overall fulfilment of this quota by the entire Supervisory Board, through a majority resolution, so that the minimum quota of 30 percent women and 30 percent men shall be calculated separately for the shareholder representatives and the employee representatives. In doing so, the numbers shall be rounded up or down to full numbers of persons (§ 96 section 2 sentence 3 and 4 AktG). Thus, even after the entry into force of the amendment to the Articles of Association to be resolved upon under Agenda Item 5, the Supervisory Board of adidas AG needs to be composed of at least two women and two men on the side of the shareholder representatives and at least two women and two men on the side of the employee representatives; this is already the case. Hence, there are no (further) target criteria to be fulfilled by the elections.

The Supervisory Board proposes that the following Supervisory Board members be elected by the Annual General Meeting:

**Ian Gallienne**

residing in Gerpennes, Belgium

Co-Chief Executive Officer of Groupe Bruxelles Lambert, Brussels, Belgium

*No memberships in other statutory supervisory boards in Germany*

*Memberships in comparable domestic or foreign controlling bodies of commercial enterprises:*

- Member of the Board of Directors, Pernod Ricard, Paris, France
- Member of the Board of Directors, SGS SA, Geneva, Switzerland
- Member of the Board of Directors, Umicore, Brussels, Belgium
- Member of the Board of Directors, Erbe, Loverval, Belgium

*In addition, three group-internal mandates at Groupe Bruxelles Lambert*

and

**Nassef Sawiris**

residing in London, UK

Chief Executive Officer of OCI N.V., Amsterdam, The Netherlands

*No memberships in other statutory supervisory boards in Germany*

*Memberships in comparable domestic or foreign controlling bodies of commercial enterprises:*

- Non-Executive Chairman of the Board of Directors, Orascom Construction Limited, Dubai, UAE
- Member of the Board of Directors, LafargeHolcim Ltd., Jona, Switzerland

*In addition, one group-internal mandate at OCI N.V. Group*

They shall be elected until the end of the term of office of the currently incumbent shareholder representatives, this means until the end of the Annual General Meeting resolving upon the ratification of the actions of the Supervisory Board for the 2018 financial year. The term of office shall commence with effect of the entry into force of the amendment to the Articles of Association to be resolved upon under Agenda Item 5.

In addition to the election proposals and after interviewing the proposed candidates, the Supervisory Board communicates the following:

The Supervisory Board believes that none of the proposed candidates has any personal or business relations with the Company, its subsidiaries or organs of the Group, that would have to be disclosed as defined in section 5.4.1 German Corporate Governance Code. The Company is not aware of any personal or business relations of major shareholders of the Company within the meaning of

section 5.4.1 German Corporate Governance Code. In view of the proposal to elect Ian Gallienne to the Supervisory Board, on March 3, 2016, the Executive Board and the Supervisory Board have made an intra-year change to the Declaration of Compliance issued on February 15, 2016, and have declared a deviation from section 5.4.5. subsection 1 sentence 2 of the German Corporate Governance Code. The deviation refers to the number of Ian Gallienne's mandates in group-external public listed companies or supervisory bodies of group-external companies with similar requirements.

The Supervisory Board has ascertained that the proposed candidates have sufficient time to perform their mandates.

Messrs. Gallienne and Sawiris agreed in advance to be available as members of the Supervisory Board. The proposed candidates' curricula vitae will be available on the Company's website at [www.adidas-group.com/agm](http://www.adidas-group.com/agm) as of the day of convening the Annual General Meeting.

**[7] Resolution on the approval of the profit and loss transfer agreement with adidas anticipation GmbH**

On March 4, 2016, adidas AG concluded a profit and loss transfer agreement with adidas anticipation GmbH, a wholly-owned subsidiary of adidas AG without external shareholders and with its registered offices in Herzogenaurach.

Besides the approval of the shareholders' meeting of adidas anticipation GmbH, which was already granted on March 11, 2016, the profit and loss transfer agreement also needs to be approved by the Annual General Meeting of adidas AG to become legally effective.

The Executive Board and the Supervisory Board propose the following resolution:

The conclusion of the profit and loss transfer agreement dated March 4, 2016 between adidas AG and adidas anticipation GmbH with its registered offices in Herzogenaurach is approved.

**Documents pertaining to Agenda Item 7**

The essential content of the profit and loss transfer agreement between adidas AG and adidas anticipation GmbH is published in this invitation following the Agenda Items under "Essential content of the profit and loss transfer agreement and reports". For further explanation of the profit and loss transfer agreement with adidas anticipation GmbH, the Executive Board also gives a written report to the shareholders. The report, which is also published in this invitation following the agenda items under "Report of the Executive Board on Agenda Item 7 pursuant to § 293a AktG", also contains the essential content of the profit and loss transfer agreement.



As of the day of convocation of the Annual General Meeting, the report as well as the full wording of the profit and loss transfer agreement are available for inspection by shareholders during regular business hours at the business premises of adidas AG and on the Company's website at **www.adidas-Group.com/agm**. Upon request, copies of the profit and loss transfer agreement as well as of the report will be sent to shareholders without delay and free of charge. The report as well as the profit and loss transfer agreement will furthermore also be displayed at the Annual General Meeting.

In addition to these documents, as of the day of convocation of the Annual General Meeting, the annual financial statements and management reports of adidas AG for the last three financial years are available for inspection by shareholders during regular business hours at the business premises of adidas AG and on the Company's website at **www.adidas-Group.com/agm**. Upon request, copies of the annual financial statements and of the management reports will be sent to shareholders without delay and free of charge. They will furthermore also be displayed at the Annual General Meeting. Annual financial statements and management reports of adidas anticipation GmbH are not available, as adidas anticipation GmbH was only established on January 25, 2016 and thus the first financial year has not yet been concluded.

**[8] Resolution on the creation of an Authorised Capital 2016 for the issuance of shares to employees and members of management bodies while excluding subscription rights as well as on the respective amendment to the Articles of Association**

Against the background of the planned introduction of an employee share purchase plan in favour of (current and former) employees of the Company and its affiliated companies, as well as of (current and former) members of management bodies of the Company's affiliated companies, the Executive Board shall be authorised, subject to Supervisory Board approval, to issue shares from authorised capital with a volume of just under 2% of the current nominal capital (while attributing such repurchased treasury shares used for employee share purchase plans during the term of this authorisation) for a period of five years.

The Executive Board and the Supervisory Board therefore propose to resolve as follows:

- 1) 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 of the Company, subject to Supervisory Board approval, by issuing up to 4,000,000 new shares (approx. 1.91% of the current nominal capital) against contributions in cash once or several times by no more than EUR 4,000,000 altogether (Authorised Capital 2016). Any repurchased treasury shares of the Company which are used by Company for employee share purchase plans during the term of this authorisation shall be attributed to the maximum number of 4,000,000 shares. Shareholders subscription rights shall be excluded. The new shares ("employee shares") may only be issued to (current or former) employees of the Company and its affiliated companies as well as to (current and former) members of management

bodies of the Company's affiliated companies ("eligible persons"). To eligible persons who have or had an employment or management body relationship with an affiliated company based in the US, employee shares shall only be issued on the basis of employee share purchase plans designed in such a way that they are intended to comply with the requirements specified in Section 423 of the American Internal Revenue Code. The employment or management body relationship must exist at the time of the offer, commitment or assignment.

The employee shares may also be issued involving one or more credit or financial service institutions, one or more companies acting in accordance with § 53 section 1 sentence 1 or § 53b section 1 sentence 1 or section 7 of the German Banking Act or a group or a syndicate of banks, financial service institutions and/or such companies or other third parties. To the extent permitted by law, employee shares may also be issued in such a manner that the contribution to be paid on such shares is covered by the portion of the annual net profit which the Executive Board and the Supervisory Board could allocate to other retained earnings under § 58 section 2 AktG.

Subject to Supervisory Board approval, the Executive Board shall be authorised to determine the further content of the rights embodied in the shares and the terms and conditions of the share issuance.

- 2) The following new section 5 shall be inserted into § 4 of the Company's Articles of Association while adjusting the numbering of sections 5 to 9 accordingly:

*"5. 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 Company's nominal capital, subject to Supervisory Board approval, by issuing up to 4,000,000 new shares against contributions in cash once or several times by no more than EUR 4,000,000 altogether (Authorised Capital 2016). Any repurchased treasury shares of the Company which are used by the Company for employee share purchase plans during the term of this authorisation shall be attributed to the maximum number of 4,000,000 shares. Shareholders subscription rights shall be excluded. The new shares ("employee shares") may only be issued to (current or former) employees of the Company and its affiliated companies as well as to (current and former) members of management bodies of the Company's affiliated companies ("eligible persons"). To eligible persons who have or had an employment or management body relationship with an affiliated company based in the US, employee shares shall only be issued on the basis of employee share purchase plans designed in such a way that they are intended to comply with the requirements specified in Section 423 of the American Internal Revenue Code. The employment or management body relationship must exist at the time of the offer, commitment or assignment.*

*The employee shares may also be issued involving one or more credit or financial service institutions, one or more companies acting in accordance with § 53 section 1 sentence 1 or § 53b section 1 sentence 1 or section 7 of the German Banking Act or a group or a syndicate of banks, financial service institutions and/or such companies or other third parties. To the extent permitted by law, employee shares may also be issued in such a manner that the contribution to be paid on such shares is covered by that portion of the annual net profit which the Executive Board and the Supervisory Board could allocate to other retained earnings under § 58 section 2 AktG.*

*Subject to Supervisory Board approval, the Executive Board shall be authorised to determine the further content of the rights embodied in the shares and the terms and conditions of the share issuance."*

- 3) The Supervisory Board shall be authorised to amend § 4 section 1 and § 4 section 5 of the Articles of Association in accordance with the respective utilisation of the Authorised Capital 2016 as well as upon expiration of the authorisation period.

**[9] Resolution on granting the authorisation to repurchase and to use treasury shares pursuant to § 71 section 1 number 8 German Stock Corporation Act (Aktengesetz - AktG) including the authorisation to exclude tender and subscription rights as well as to cancel repurchased shares and to reduce the capital; cancellation of the existing authorisation**

The authorisation for the repurchase of treasury shares adopted by the Annual General Meeting on May 8, 2014 only expires on May 7, 2019. However, against the background of the planned introduction of an employee share purchase plan in favour of (current and former) employees of the Company and its affiliated companies as well as in favour of (current and former) members of management bodies of the Company's affiliated companies, the Executive Board shall also be given the possibility to acquire treasury shares while utilising the authorisation in accordance with § 71 section 1 number 8 AktG in order to issue these shares within the framework of an employee share purchase plan.

In order to include this possibility in the authorisation in accordance with § 71 section 1 number 8 AktG, and in order to continue to be able to acquire treasury shares for other purposes also in the future, the Executive Board, while cancelling the existing authorisation in accordance with § 71 section 1 number 8 AktG, shall again be granted an authorisation to acquire treasury shares and to use the treasury shares repurchased in accordance with this authorisation or with former authorisations. The Company currently directly and indirectly holds 9,018,769 treasury shares (as at: March 22, 2016).

The Executive Board and the Supervisory Board therefore propose to resolve as follows:

- 1) The Executive Board is authorised, for any lawful purpose and within the legal frame pursuant to the following terms and conditions, to repurchase treasury shares up to an amount totalling 10% of the nominal capital valid on May 12,

2016 when the authorisation was resolved upon or – if this amount is lower – on the date on which the aforementioned authorisation is exercised.

The authorisation shall become effective with the passing of the resolution on May 12, 2016 and shall continue in effect until May 11, 2021. The authorisation may be used by the Company but also by its subordinated group companies or by third parties on account of the Company or its subordinated group companies or third parties assigned by the Company or one of its subordinated group companies.

Subject to the Executive Board's choice, the repurchase will in each individual case be carried out (i) via the stock exchange, (ii) through a public invitation to submit sale offers, (iii) through a public repurchase offer, or (iv) through offering tender rights to shareholders.

- In the event of the repurchase being carried out via the stock exchange, the consideration per share paid by the Company (excluding incidental purchasing costs) may not be more than 10% higher or lower than the stock market price of the Company's shares as established in the opening auction of the electronic trading system on the Frankfurt Stock Exchange on the day of entering into the repurchase obligation.
- In the event of a public invitation to submit sale offers, the consideration per share paid by the Company (excluding incidental purchasing costs) may not be more than 10% higher or more than 20% lower than the non-weighted average closing price of the Company's shares in the electronic trading system on the Frankfurt Stock Exchange on the last three trading days prior to the acceptance of the sale offers.
- In the event of a public sales offer or a purchase by granting tender rights, the consideration per share paid by the Company (excluding incidental purchasing costs) may not be more than 10% higher or more than 20% lower than the non-weighted average closing price of the Company's shares in the electronic trading system on the Frankfurt Stock Exchange on the last five trading days prior to the due date. The day of the Executive Board's final decision on the offer or the granting of tender rights shall be considered as due date.

If there are substantial deviations from the offered purchase/sale price or the threshold values of a potential purchase/sale price range after the publication of a public repurchase offer or public invitation to submit sale offers or after the granting of tender rights, the offer, the invitation to submit sale offers or the tender rights may be adjusted. In such a case the relevant amount is determined on the basis of the corresponding price on the last trading day prior to the publication of the adjustment; the 10% or 20% limit that the shares must not exceed or fall below is applicable for this amount.

The volume of a public invitation to submit sales offers or of a public repurchase offer may be limited. If the public repurchase offer or a public invitation to submit sales offers is over-subscribed, the repurchase or acceptance must be done on a pro-rata basis in relation to the shares offered in each case and in such cases, subject to the partial exclusion of any potential shareholders' rights of tender. The Company may provide for a preferred acquisition or acceptance of smaller numbers of shares of up to 50 tendered shares per shareholder and for a rounding of residual amounts in accordance with general commercial principles only if any potential shareholders' rights of tender are partially excluded.

The overall volume of tender rights offered to the shareholders may also be limited. If the shareholders are granted tender rights for the purpose of acquiring shares, these tender rights are allocated to the shareholders in proportion to their shareholding in accordance with the ratio of the Company's nominal capital to the volume of the shares to be repurchased by the Company. Fractions of tender rights do not have to be allocated; in such cases, any potential partial tender rights shall be excluded.

The Executive Board determines further details of each purchase, in particular of a possible purchase offer or an invitation to submit sale offers. This is also applicable for further details of tender rights particularly with regard to the term and, if appropriate, their tradability. In this respect, capital market and other statutory limitations and requirements need to be complied with.

- 2) The Executive Board is authorised to use the treasury shares repurchased in accordance with this authorisation or with former authorisations for all lawful purposes, in particular also for the following purposes:
  - a) The shares may be sold on the stock exchange or through a public offer to all shareholders in relation to their shareholding quota; in case of an offer to all shareholders, subscription rights for residual amounts are excluded. The shares may also be sold differently, provided the shares are sold in exchange for a cash payment and at a price that, at the time of the sale, is not significantly below the stock market price of the Company's shares with the same features; the pro-rata amount of the nominal capital, which is attributable to the aggregate number of shares sold under this authorisation, may not exceed 10% of the nominal capital existing on the date on which the resolution on this authorisation was adopted by the Annual General Meeting or - if this amount is lower - on the date of the relevant exercise of the present authorisation. The pro-rata amount of the nominal capital attributable to the new shares issued between May 12, 2016 and the sale of the shares based on an authorised capital while excluding shareholders subscription rights pursuant to § 203 section 1 in conjunction with § 186 section 3 sentence 4 AktG is attributed to the limit of 10%. Likewise, the pro-rata amount of the nominal capital that is attributable to the bonds with warrants and/or convertible bonds, which are linked to subscription or conversion rights or duties or the Company's right to delivery of shares on shares that are issued on the basis of any authorisations pursuant to §§ 221 section 4,

186 section 3 sentence 4 AktG between May 12, 2016 and the sale of the shares, shall be applied.

- b) The shares can be offered and assigned to third parties as (part) consideration for the direct or indirect acquisition of companies, parts of companies or participations in companies or other business assets, especially real estate and rights to real estate or receivables (also from the company) or within the scope of company mergers.
- c) The shares can be offered and sold as (part) consideration for the assignment or licensing of intellectual property rights or intangible property rights in athletes, sports clubs or other persons, as for instance trademarks, names, emblems, logos and designs, to the Company or one of its subordinated group companies for purposes of marketing and/or developing the products of the Group.
- d) The shares may be used for purposes of meeting the subscription or conversion rights or subscription or conversion obligations or the Company's right to delivery of shares arising from bonds with warrants and/or convertible bonds which are or were issued by the Company or a direct or indirect subordinated group company in accordance with an authorisation granted by the Annual General Meeting.
- e) In connection with employee share purchase plans, up to 4,000,000 shares may be used in favour of (current or former) employees of the Company and its affiliated companies as well as in favour of (current and former) members of management bodies of the Company's affiliated companies ("eligible persons"). In this case, a use in favour of eligible persons who have or had an employment or management body relationship with an affiliated company based in the US shall only be made on the basis of employee share purchase plans designed in such a way that they are intended to comply with the requirements specified in Section 423 of the American Internal Revenue Code. The employment or management body relationship must exist at the time of the offer, commitment or assignment.  
The number of shares the Company issues to eligible persons by partially utilising the Authorised Capital 2016 shall be attributed to the maximum number of 4,000,000 shares. The shares may be offered for acquisition to the aforementioned persons particularly with or without consideration directly or indirectly, committed or assigned, whereas the employment or management body relationship must exist at the time of the offer, commitment or assignment.
- f) The Executive Board is furthermore authorised to cancel the treasury shares without such cancellation requiring an additional Annual General Meeting resolution. The cancellation may pursuant to § 273 section 3, number 3 AktG also be conducted in such a manner that the nominal capital does not change, but rather that through the cancellation the proportion of nominal capital per remaining no-par-value share is increased pursuant to § 8 section 3 AktG. Pursuant to § 237 section 3 number 3 second partial sentence AktG, the Executive Board is

authorised to modify the number of shares stated in the Articles of Association accordingly. The cancellation may also be linked to a capital reduction; in this case, the Executive Board is authorised to reduce the nominal capital by the pro-rata amount of share capital for which the shares account and the Supervisory Board is authorised to make the according adjustments of the number of shares and the nominal capital in the Articles of Association.

- 3) The Supervisory Board shall be authorised to use the shares repurchased by the Company, provided such shares do not have to be used for a different specific purpose and while ensuring that the compensation remains at a reasonable level (§ 87 section 1 AktG), as follows:

They can be assigned to members of the Executive Board of the Company as compensation in the form of a share bonus, subject to the provision that the further assignment of such shares by the respective member of the Executive Board is not permitted within a period of at least three years from the date of assignment (retention period) and further subject to the provision that it is not permitted to carry out hedging transactions, by which the economic risk for the development of the stock market price during the retention period is partially or completely assigned to third persons. For the assignment of the shares the respective current stock market price (based on a short notice average value to be determined by the Supervisory Board) shall be considered. They may also be promised to members of the Executive Board of the Company as compensation in the form of a share bonus. In this case, the above provisions shall apply *mutatis mutandis*. Hence, the time of promising replaces the time of the transfer of the shares. Further details will be determined by the Supervisory Board.

- 4) The rights of shareholders to subscribe treasury shares will be excluded to the extent that such shares are utilised pursuant to the aforementioned authorisations defined in sections 2) a) through e) or 3).
- 5) The authorisations to repurchase, sell or otherwise utilise or redeem and cancel treasury shares may be exercised independently, once or several times, either completely or in part. The authorisations also include the use of shares of the Company acquired based on previous authorisations to repurchase treasury shares.
- 6) The Supervisory Board may provide that transactions of the Executive Board based on these authorisations may only be carried out subject to the approval of the Supervisory Board or one of its committees.
- 7) The authorisation to repurchase treasury shares which was granted pursuant to the resolution adopted by the Annual General Meeting of May 8, 2014 (Agenda Item 8) shall be cancelled with the entry into force of this new resolution and shall be replaced by it.

**[10] Resolution on granting the authorisation to use equity derivatives in connection with the acquisition of treasury shares pursuant to § 71 section 1 number 8 German Stock Corporation Act (Aktengesetz - AktG) while excluding shareholders' tender and subscription rights; cancellation of the existing authorisation**

In addition to the authorisation proposed for resolution under Agenda Item 9 regarding the acquisition of treasury shares pursuant to § 71 section 1 number 8 AktG, the Company shall also again be authorised to acquire treasury shares by using equity derivatives. By doing this, the total volume of shares that may be purchased will not be increased but simply further alternatives to purchase treasury shares will be available.

The Executive Board and the Supervisory Board therefore propose to resolve as follows:

- 1) In addition to the authorisation proposed for resolution to the Annual General Meeting on May 12, 2016 under Agenda Item 9 regarding the acquisition of treasury shares pursuant to § 71 section 1 number 8 AktG, the acquisition of shares of the Company may also be completed, apart from the ways described there, with the use of equity derivatives. The Executive Board is to be authorised to acquire options which entitle the Company to acquire shares of the Company upon the exercise of the options (call options). Furthermore, the Executive Board is to be authorised to sell options which require the Company to acquire shares of the Company upon the exercise of the options by the option holder (put options). Additionally, the purchase can be made by using a combination of call and put options as well as by using other equity derivatives as hereinafter determined. The authorisation shall become effective with the passing of the resolution on May 12, 2016 and shall continue in effect until May 11, 2021. The authorisation may be used by the Company but also by its subordinated group companies or by third parties assigned by the Company or one of its subordinated group companies on account of the Company or its subordinated group companies or third parties.

All share acquisitions based on call or put options, a combination of call and put options or on other equity derivatives are limited to a maximum volume of 5% of the nominal capital existing on the date on which the resolution is adopted by the Annual General Meeting or – if this amount is lower – on the date on which the aforementioned authorisation was exercised.

- 2) The options must be concluded with one or more credit or financial service institutions, by one or more companies acting in accordance with § 53 section 1 sentence 1 or § 53b section 1 sentence 1 or section 7 of the German Banking Act or by a group or a syndicate of banks, financial service institutions and/or such companies. They have to be set up in a way ensuring that the options are only serviced with shares which were acquired under observance of the principle of non-discrimination of shareholders. The acquisition of shares on the stock exchange satisfies such a requirement. The terms of the options may not exceed 18 months and must be chosen in such a way that the shares are acquired upon the exercise of the options no later than May 11, 2021. The purchase or sales price paid or received by the



Company for call or put options or for a combination of call and put options shall not be substantially above or below the theoretical market value of the respective options calculated in accordance with recognised financial calculation methods.

- 3) The nominal value for the purchase of one share, based on the exercise of a put option, consisting of the purchase price/exercise price (excluding incidental purchasing costs but considering the received option premium) agreed in the option and paid when exercising the put option may not be more than 10% higher or 20% lower than the average stock market price for the Company's shares as established in the opening auction of the electronic trading system on the Frankfurt Stock Exchange on the day of the respective option transaction. The nominal value for the purchase of one share, based on the exercise of a call option, consisting of the purchase price/exercise price agreed in the option and paid when exercising the call option may not be more than 10% higher or 10% lower than the average stock market price for the Company's shares as established in the closing auctions of the electronic trading system on the Frankfurt Stock Exchange on the three trading days prior to the exercise of the call option.
- 4) Furthermore, an agreement with one or more credit or financial service institution(s) and/or such other equal companies indicated under section 2) may be concluded so that they deliver(s) shares of a certain number or equivalent to a specific euro amount within a specific period of time, all having been agreed a priori, to the Company. The price at which the Company purchases treasury shares has to show a reduction from the arithmetic mean of the volume-weighted average stock market price of the shares in the electronic trading system on the Frankfurt Stock Exchange calculated on the basis of a specific number of trading days determined in advance. The price of the share may not be more than 20% below the above-mentioned average. In addition, the credit or financial service institution(s) and/or such equal companies outlined in section 2) must undertake to buy the shares to be delivered at the stock exchange at a price being within the margin which would apply if the Company directly purchased shares at the stock exchange.
- 5) In the event that treasury shares are acquired using equity derivatives in accordance with the above rules, shareholders have no right to conclude such option transactions or other equity derivatives with the Company. Furthermore, any tender rights of shareholders are excluded.
- 6) For the use of treasury shares acquired using equity derivatives, the provisions set out in sections 2), 3) and 5) of the resolution proposed to the Annual General Meeting on May 12, 2016 under Agenda Item 9 shall apply mutatis mutandis. Shareholders' subscription rights to treasury shares shall be excluded to the extent that such shares are used in accordance with the authorisations under sections 2) a) to e) and 3) of the resolution proposed under Agenda Item 9.

- 7) The Supervisory Board may provide that transactions based on these authorisations may only be carried out subject to the approval of the Supervisory Board or one of its committees.
- 8) The authorisation to repurchase treasury shares while using equity derivatives which was granted pursuant to the resolution adopted by the Annual General Meeting on May 8, 2014 (Agenda Item 9) shall be cancelled with the entry into force of this new resolution and shall be replaced by it.

**[11] Appointment of the auditor and the Group auditor for the 2016 financial year as well as of the auditor for the review of the first half year financial report and other (condensed) interim financial statements for the 2016 financial year and for the first quarter report 2017**

Based on the recommendation by the Audit Committee, the Supervisory Board proposes to resolve as follows:

- a) KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, is appointed as auditor of the annual financial statements and Group auditor of the consolidated financial statements for the 2016 financial year.
- b) KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, is appointed for the audit review of the financial statements and the interim management report for the first six months of the 2016 financial year as well as of other (condensed) interim financial statements and management reports for the 2016 financial year, if and insofar as they are subject to such review.
- c) KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, is appointed for the audit review of the (condensed) interim financial statements and the interim management report for the first quarter of the 2017 financial year, if and insofar as they are subject to such review.

KPMG AG, Wirtschaftsprüfungsgesellschaft, Berlin, declared to the Supervisory Board, that there are no professional, financial, personal or other relationships between KPMG AG, its directors, officers and audit managers on the one hand, and the Company and its management on the other hand, which may give rise to doubts as to the independence of the auditor.

## **II. Essential content of the profit and loss transfer agreement and Reports**

### **Essential content of the profit and loss transfer agreement (Agenda Item 7)**

The profit and loss transfer agreement between adidas AG and adidas anticipation GmbH (hereinafter “anticipation GmbH”) dated March 4, 2016 (hereinafter “profit and loss transfer agreement”) corresponds to the statutory model of a profit and loss transfer agreement and contains all standard provisions for establishing a fiscal affiliation within the Group. The essential provisions are disclosed and outlined in the following:

#### **I. Transfer of profits (§ 1 of the profit and loss transfer agreement)**

§ 1 of the profit and loss transfer agreement regulates the typical contractual obligation of anticipation GmbH to transfer its annual net profit determined in accordance with the regulations of commercial law to adidas AG. This means that in accordance with § 1 section 1 of the profit and loss transfer agreement and § 301 sentence 1 AktG, the respective annual net profit of anticipation GmbH, minus (i) any losses carried forward from the previous year and minus (ii) the non-distributable amount as defined in § 268 section 8 German Commercial Code (Handelsgesetzbuch – HGB), shall generally be transferred to adidas AG.

The profit to be transferred in accordance with § 1 section 1 of the profit and loss transfer agreement is reduced in accordance with § 1 section 2 of the profit and loss transfer agreement if anticipation GmbH, with the approval of adidas AG, transfers amounts from the net profit before profit transfer to other retained earnings (§ 272 section 3 sentence 2 HGB). For the recognition of the fiscal affiliation, such transfer to other retained earnings is only permissible insofar as this is justified on the basis of a reasonable commercial appraisal (see § 14 section 1 sentence 1 number 4 German Corporation Tax Act [Körperschaftsteuergesetz - KStG]). § 1 section 2 of the profit and loss transfer agreement takes account of this regulation.

In accordance with § 1 section 3 sentence 1 of the profit and loss transfer agreement, adidas AG may demand that other retained earnings set up during the term of the profit and loss transfer agreement (§ 272 section 3 sentence 2 HGB) be withdrawn and transferred as profits (§ 301 sentence 2 AktG). § 1 section 3 sentence 2 of the profit and loss transfer agreement clarifies that other reserves may neither be transferred as profits nor be used to offset an annual net loss. This regulation corresponds to the statutory provisions of § 301 AktG as well as to supreme court decisions on the use of reserves within the framework of profit and loss transfer agreements. In this respect, “other reserves” comprises all reserves in accordance with § 272 HGB with the exception of other retained earnings set up during the term of the agreement. Thus, irrespective of the time of their set-up, the statutory retained earnings as well as capital reserves of anticipation GmbH are excluded from a transfer.

The claim of adidas AG to the transfer of profits shall accrue on the balance sheet date of anticipation GmbH and shall become due on this date. For the time period between the balance sheet date and the effective settlement of the claim, it shall

bear interest at the applicable statutory rate between merchants (currently 5% per annum, § 352 section 1 sentence 1 HGB).

## **II. Absorption of losses (§ 2 of the profit and loss transfer agreement)**

§ 2 section 1 of the profit and loss transfer agreement stipulates the obligation of adidas AG to absorb the losses of anticipation GmbH in accordance with § 302 AktG as amended. This means that adidas AG has to absorb any existing annual net loss of anticipation GmbH (before loss transfer). Such obligation to offset losses shall not exist insofar as the annual net loss is offset by taking amounts from other retained earnings within the meaning of § 272 section 3 sentence 2 HGB, which were transferred to these retained earnings during the term of the profit and loss transfer agreement.

The obligation to offset losses shall ensure that the equity of the statutory accounts of anticipation GmbH existing at the date of the entry into force of the agreement is not reduced during the term of the agreement. The obligation to offset the losses serves the purpose of safeguarding the financial interest of anticipation GmbH and of its creditors for the time of the existence of the profit and loss transfer agreement.

In accordance with § 2 section 2 of the profit and loss transfer agreement, the claim of anticipation GmbH to the absorption of losses shall accrue on the balance sheet date of anticipation GmbH and shall become due on this date. For the time period between the balance sheet date and the effective settlement of the claim, it shall bear interest at the applicable statutory rate between merchants (currently 5% per annum, § 352 section 1 sentence 1 HGB).

## **III. Entry into force and Term (§ 3 of the profit and loss transfer agreement)**

In accordance with the statutory approval requirements pursuant to § 293 AktG, the profit and loss transfer agreement shall only enter into force following approval by the Annual General Meeting of adidas AG and by the shareholders' meeting of anticipation GmbH and following the entry with the commercial register of anticipation GmbH (§ 3 section 1 of the profit and loss transfer agreement). The shareholders' meeting of anticipation GmbH already gave the required approval.

The financial year of anticipation GmbH shall be the calendar year. If the Annual General Meeting of adidas AG approves the conclusion of the agreement and if the profit and loss transfer agreement is entered with the commercial register in the year 2016 as scheduled, it shall be initially effective for the overall result of the 2016 financial year. This provision makes use of § 14 section 1 sentence 2 KStG which allows the agreement to take effect retroactively.

The profit and loss transfer agreement is concluded for an unlimited term (§ 3 section 2 sentence 1). At the earliest, the agreement may be terminated with three months' notice effective at the end of the financial year that ends five years after the beginning of the respective financial year of anticipation GmbH in which the profit and loss transfer agreement enters into effect pursuant to § 3 section 1 sentence 2. Thus, there is a fixed minimum term of sixty consecutive months. In case the profit and loss transfer agreement is entered with the commercial register of anticipation GmbH by December 31, 2016, the obligation to transfer profits shall commence with

the beginning of the short financial year as at January 25, 2016. The contractual minimum term shall then expire on December 31, 2021. In accordance with § 14 section 1 sentence 1 number 3 KStG, a fixed minimum term of five years is necessary to justify the targeted fiscal affiliation between adidas AG and anticipation GmbH by the profit and loss transfer agreement.

Notwithstanding the exclusion of an ordinary right to termination, the profit and loss transfer agreement may be terminated extraordinarily without observing the notice period in the event of a significant cause. The right to termination for significant cause is determined by act of law and can thus not be contractually precluded. A significant cause exists if, taking into account all circumstances, the terminating party cannot be expected to continue the contractual relationship on a reasonable basis. This is particularly the case if the risks for the controlling company are no longer bearable, e.g. due to a deterioration of the dependant company's financial position not caused by the controlling company. Vice versa, the dependant company shall have the right to terminate if the controlling company can no longer fulfil its obligations e.g. concerning the absorption of losses. Irrespective thereof, § 3 section 3 sentence 3 of the profit and loss transfer agreement ensures an explicit right to termination for adidas AG if it no longer holds the majority of votes in anticipation GmbH or if adidas AG has contractually agreed to transfer shareholdings in anticipation GmbH to a third party, so that with the imminent execution of the according agreement, adidas AG would no longer be directly or indirectly entitled to the majority of votes deriving from shares in anticipation GmbH or that anticipation GmbH would be merged with another company.

In accordance with applicable tax law, the conclusion of a profit and loss transfer agreement is necessary to justify the targeted fiscal affiliation between adidas AG and anticipation GmbH. Besides the minimum term in accordance with § 14 section 1 sentence 1 number 3 KStG, the fact that anticipation GmbH, as dependant company, is integrated into adidas AG as controlling company in such a way that the controlling company is entitled to the majority of votes in the dependant company is one of the preconditions for this fiscal affiliation. Furthermore, the profit and loss transfer agreement needs to be actually implemented during its term. A termination of the profit and loss transfer agreement prior to the expiration of the statutory minimum term in accordance with § 14 section 1 sentence 1 number 3 KStG generally leads to a fiscal repudiation of the fiscal affiliation from its outset. Only a termination for significant cause, insofar as the significant cause is recognised for tax purposes, does generally not affect the fiscal affiliation for already closed financial years, even if the termination is made during the fiscal minimum term of the profit and loss transfer agreement.

It is recognised for tax purposes that a loss of the shareholding generally constitutes a significant cause within the meaning of § 14 section 1 sentence 1 number 3 KStG for a premature termination of the profit and loss transfer agreement by the controlling company, which does not affect the tax recognition of the fiscal affiliation; the same applies in case of a merger. § 3 section 3 of the profit and loss transfer agreement ensures that grounds for termination for significant cause recognised for tax purposes shall, at the same time, constitute grounds for termination in accordance with civil law.

#### **IV. Final provisions of the agreement (§ 4 of the profit and loss transfer agreement)**

§ 4 of the profit and loss transfer agreement shall ensure the continuation of the essential contents of the profit and loss transfer agreement if, contrary to expectations, individual provisions of this agreement prove to be totally or partially ineffective, unenforceable or incomplete. This is a regulation typically included in profit and loss transfer agreements.

#### **Report of the Executive Board on Agenda Item 7 pursuant to § 293a AktG**

In order to inform the shareholders and to prepare the resolution at the Annual General Meeting, pursuant to § 293a AktG, the Executive Board of adidas AG hereby reports as follows on the profit and loss transfer agreement between adidas AG ("**adidas AG**") and adidas anticipation GmbH ("**anticipation GmbH**") of March 4, 2016.

##### **I. Conclusion of the profit and loss transfer agreement; Entry into force**

On March 4, 2016, adidas AG concluded a profit and loss transfer agreement with anticipation GmbH, a wholly-owned subsidiary of adidas AG without external shareholders, with its registered offices in Herzogenaurach (hereinafter also referred to as "agreement").

As a profit and loss transfer agreement within the meaning of § 291 section 1 sentence 1 AktG, the agreement has to be approved by the Annual General Meeting of adidas AG (§ 293 section 1 and 2 AktG). Furthermore, the agreement also requires the approval of the shareholders' meeting of anticipation GmbH which has already been granted on March 11, 2016. The agreement shall only enter into force upon entry with the commercial register of anticipation GmbH (§ 294 section 2 AktG). An entry with the commercial register of adidas AG is not required.

##### **II. Purpose of anticipation GmbH**

The purpose of the company is the development and implementation of new products and business models which are suitable to promote the company purpose of adidas AG, also in collaboration with external business partners, as well as financing such products and business models, including the establishment and acquisition of companies or corporate holdings in Germany or abroad as well as the holding and management of such subsidiaries and the management of own assets.

The company was established in order to enable the adidas Group to participate in pioneering innovations at an early stage.

This shall i. a. be achieved by investing in start-up companies as well as by creating fields of application in view of innovative business models.

The Company shall be entitled to enter into all transactions and to take all measures relating to the purpose of the company or which directly or indirectly serve such purpose.

**III. Legal and economic reasons for concluding the profit and loss transfer agreement**

The agreement serves to establish a fiscal affiliation for corporate tax purposes between adidas AG and anticipation GmbH pursuant to § 14 KStG. A fiscal affiliation aims at the consolidated taxation of otherwise legally independent companies and enables a potential offset of losses by the consolidation of the tax results of the affiliated companies.

Such consolidated taxation of adidas AG and anticipation GmbH cannot be achieved by the conclusion of another type of affiliation agreement within the meaning of § 292 AktG (corporate lease agreement, corporate surrender agreement, partial profit transfer agreement, profit pooling agreement) or a business management agreement.

**IV. Explanatory notes on the profit and loss transfer agreement**

The profit and loss transfer agreement corresponds to the statutory model of a profit and loss transfer agreement and contains all standard provisions for establishing a fiscal affiliation within a group of companies. The essential provisions are disclosed and outlined in the following:

**1. Transfer of profits (§ 1 of the profit and loss transfer agreement)**

§ 1 of the profit and loss transfer agreement regulates the typical contractual obligation of anticipation GmbH to transfer its annual net profit determined in accordance with the regulations of commercial law to adidas AG. This means that in accordance with § 1 section 1 of the profit and loss transfer agreement and § 301 sentence 1 AktG, the respective annual net profit of anticipation GmbH, minus (i) any losses carried forward from the previous year and minus (ii) the non-distributable amounts as defined in § 268 section 8 German Commercial Code (Handelsgesetzbuch - HGB), shall generally be transferred to adidas AG.

The profit to be transferred in accordance with § 1 section 1 of the profit and loss transfer agreement is reduced in accordance with § 1 section 2 of the profit and loss transfer agreement if anticipation GmbH, with the approval of adidas AG, transfers amounts from the net profit before profit transfer to other retained earnings (§ 272 section 3 sentence 2 HGB). For the recognition of the fiscal affiliation, such transfer to other retained earnings is only permissible insofar as this is justified on the basis of a reasonable commercial appraisal (see § 14 section 1 sentence 1 number 4 German Corporation Tax Act [Körperschaftsteuergesetz - KStG]). § 1 section 2 of the profit and loss transfer agreement takes account of this regulation.

In accordance with § 1 section 3 sentence 1 of the profit and loss transfer agreement, adidas AG may demand that other retained earnings set up during the term of the profit and loss transfer agreement (§ 272 section 3 sentence 2 HGB) be withdrawn and transferred as profits (§ 301 sentence 2 AktG). § 1 section 3 sentence 2 of the profit and loss transfer agreement clarifies that other reserves may neither be transferred as profits nor be used to offset an annual net loss. This regulation corresponds to the statutory provisions of § 301 AktG as well as to supreme court decisions on the use of reserves within the framework of profit and loss transfer agreements. In this respect, "other reserves" comprises all reserves in accordance with § 272 HGB with the exception of other retained earnings set up during the term of the agreement. Thus, irrespective of the time of their set-up, potential statutory

reserves as well as capital reserves of anticipation GmbH are excluded from a transfer.

The claim of adidas AG to the transfer of profits shall accrue on the balance sheet date of anticipation GmbH and shall become due on this date. For the time period between the balance sheet date and the effective settlement of the claim, it shall bear interest at the applicable statutory rate between merchants (currently 5% per annum, § 352 section 1 sentence 1 HGB).

## **2. Absorption of losses (§ 2 of the profit and loss transfer agreement)**

§ 2 section 1 of the profit and loss transfer agreement stipulates the obligation of adidas AG to absorb the losses of anticipation GmbH in accordance with § 302 AktG as amended. This means that adidas AG has to absorb any existing annual net loss of anticipation GmbH (before loss transfer). Such obligation to offset losses shall not exist insofar as the annual net loss is offset by taking amounts from other retained earnings within the meaning of § 272 section 3 sentence 2 HGB, which were transferred to these retained earnings during the term of the profit and loss transfer agreement.

The obligation to offset losses shall ensure that the equity of the statutory accounts of anticipation GmbH existing at the date of the entry into force of the agreement is not reduced during the term of the agreement. The obligation to offset the losses serves the purpose of safeguarding the financial interest of anticipation GmbH and of its creditors for the time of the existence of the profit and loss transfer agreement.

In accordance with § 2 section 2 of the profit and loss transfer agreement, the claim of anticipation GmbH to the absorption of losses shall accrue on the balance sheet date of anticipation GmbH and shall become due on this date. For the time period between the balance sheet date and the effective settlement of the claim, it shall bear interest at the applicable statutory rate between merchants (currently 5% per annum, § 352 section 1 sentence sentence 1 HGB).

## **3. Effectiveness and Term (§ 3 of the profit and loss transfer agreement)**

In accordance with the statutory approval requirements pursuant to § 293 AktG, the profit and loss agreement shall only enter into force following approval by the Annual General Meeting of adidas AG and by the shareholders' meeting of anticipation GmbH and following the entry with the commercial register of anticipation GmbH (§ 3 section 1 of the profit and loss transfer agreement). The shareholders' meeting of anticipation GmbH already gave the required approval.

The financial year of anticipation GmbH shall be the calendar year. If the Annual General Meeting of adidas AG approves the conclusion of the contract and if the profit and loss transfer agreement is entered with the commercial register in the year 2016 as scheduled, it shall initially be effective for the overall results of the 2016 financial year. This provision makes use of § 14 section 1 sentence 2 KStG which allows the agreement to take effect retroactively.



The profit and loss transfer agreement is concluded for an unlimited term (§ 3 section 2 sentence 1). At the earliest, the agreement may be terminated with three months' notice effective at the end of the financial year that ends five years after the beginning of the respective financial year of anticipation GmbH in which the profit and loss transfer agreement enters into effect pursuant to § 3 section 1 sentence 2. Thus, there is a fixed minimum term of sixty consecutive months. In case the profit and loss transfer agreement is entered with the commercial register of anticipation GmbH by December 31, 2016, the obligation to transfer profits shall commence with the beginning of the short financial year as at January 25, 2016. The contractual minimum term shall then expire on December 31, 2021. In accordance with § 14 section 1 sentence 1 number 3 KStG, a fixed minimum term of five years is necessary to justify the targeted fiscal affiliation between adidas AG and anticipation GmbH by the profit and loss transfer agreement.

Notwithstanding the exclusion of an ordinary right to termination, the profit and loss transfer agreement may be terminated extraordinarily without observing the notice period in the event of a significant cause. The right to termination for significant cause is determined by act of law and can thus not be contractually precluded. A significant cause exists if, taking into account all circumstances, the terminating party cannot be expected to continue the contractual relationship on a reasonable basis. This is particularly the case if the risks for the controlling company are no longer bearable, e.g. due to a deterioration of the dependant company's financial position not caused by the controlling company. Vice versa, the dependant company shall have the right to terminate if the controlling company can no longer fulfil its obligations e.g. concerning the absorption of losses. Irrespective thereof, § 3 section 3 sentence 3 of the profit and loss transfer agreement ensures an explicit right to termination for adidas AG if it no longer holds the majority of votes in anticipation GmbH or if adidas AG has contractually agreed to transfer shareholdings in anticipation GmbH to a third party, so that with the imminent execution of the according agreement, adidas AG would no longer be directly or indirectly entitled to the majority of votes deriving from shares in anticipation GmbH or that anticipation GmbH would be merged with another company.

In accordance with applicable tax law, the conclusion of a profit and loss transfer agreement is necessary to justify the targeted fiscal affiliation between adidas AG and anticipation GmbH. Besides the minimum term in accordance with § 14 section 1 sentence 1 number 3 KStG, the fact that anticipation GmbH, as dependant company, is integrated into adidas AG as controlling company in such a way that the controlling company is entitled to the majority of votes in the dependant company is one of the preconditions for this fiscal affiliation. Furthermore, the profit and loss transfer agreement needs to be actually implemented during its term. A termination of the profit and loss transfer agreement prior to the expiration of the statutory minimum term in accordance with § 14 section 1 sentence 1 number 3 KStG generally leads to a fiscal repudiation of the fiscal affiliation from its outset. Only a termination for significant cause, insofar as the significant cause is recognised for tax purposes, does generally not affect the fiscal affiliation for already closed financial years, even if the termination is made during the fiscal minimum term of the profit and loss transfer agreement.

It is recognised for tax purposes that a loss of the shareholding generally constitutes a significant cause within the meaning of § 14 section 1 sentence 1 number 3 KStG for a premature termination of the profit and loss transfer agreement by the controlling company, which does not affect the tax recognition of the fiscal affiliation; the same applies in case of a merger. § 3 section 3 of the profit and loss transfer agreement ensures that grounds for termination for significant cause recognised for tax purposes shall, at the same time, constitute grounds for termination in accordance with civil law.

As adidas AG holds all shares in anticipation GmbH both at the time of the conclusion of the agreement and at the time of the resolution of the shareholders' meeting of anticipation GmbH and as anticipation GmbH therefore does not have any external shareholders, neither compensatory nor termination payments are to be granted. In case an external shareholder acquires a shareholding in anticipation GmbH at a later date, the profit and loss transfer agreement shall terminate no later than at the end of the financial year in which the external shareholder acquires a shareholding (cf. § 307 AktG)

#### **4. Final provisions of the agreement (§ 4 of the profit and loss transfer agreement)**

§ 4 of the profit and loss transfer agreement shall ensure the continuation of the contents of the profit and loss transfer agreement if, contrary to expectations, individual provisions of this agreement prove to be totally or partially ineffective, unenforceable or incomplete. This is a regulation typically included in profit and loss transfer agreements.

#### **V. Provisions in accordance with §§ 304, 305 AktG, Audit of agreement**

As adidas AG holds all shares in anticipation GmbH both at the time of the conclusion of the agreement and at the time of the resolution of the shareholders' meeting of anticipation GmbH and as anticipation GmbH therefore does not have any external shareholders, the provisions in accordance with §§ 304, 305 AktG governing balancing and compensation do not apply (cf. § 304 section 1 sentence 3 AktG). Thus, it was not necessary to have the agreement audited by certified experts (§ 293b section 1, last subclause AktG).

### **Report of the Executive Board on Agenda Item 8 pursuant to §§ 203 section 2 number 2, 186 section 4 sentence 2 AktG**

Under Agenda Item 8, the Executive Board and the Supervisory Board propose the creation of a new Authorised Capital 2016 in the amount of EUR 4,000,000.

Pursuant to §§ 203 section 2 number 2, 186 section 4 sentence 2 AktG, the Executive Board issues a written report on the authorisation to exclude subscription rights, which is published in full hereafter:

The Authorised Capital 2016 shall give the Company the possibility to have new shares available which can be issued to (current or former) employees of the Company and its affiliated companies as well as to (current and former) members of management bodies of the Company's affiliated companies ("eligible persons") at preferential conditions within the

framework of an employee share purchase plan ("employee shares"). The shares required for the employee share purchase plans may be serviced with repurchased treasury shares insofar as this is legally permissible without a resolution by the Annual General Meeting or insofar as the Executive Board was granted an according authorisation in accordance with § 71 section 1 number 8 AktG (as proposed under Agenda Item 9). Nevertheless, the Company shall be given the required flexibility to create and issue new shares by way of a capital increase in alternative or addition to the issuance of treasury shares, whereby in total, no more than 4,000,000 new shares shall be created or treasury shares shall be issued. Thus, any repurchased treasury shares of the Company which are used by the Company for employee share purchase plans during the term of Authorised Capital 2016 shall be attributed to the maximum number of 4,000,000 shares to be issued under the Authorised Capital 2016. By utilising the Authorised Capital 2016, employee shares may be issued also without recourse to treasury shares held and independent of a possibly required previous repurchase and thus while preserving the Company's liquidity.

The introduction of an employee share purchase plan is in the interest of the Company and its shareholders, as the plan serves to promote the eligible persons' identification with the Company and their loyalty to the Company. An employee share purchase plan enables the eligible persons to participate in the Company and its development and creates an incentive to take care of a sustained increase in the Company value. For the eligible persons as shareholders, it creates a sustainable participation in the long-term success of the Company. Such participation is also desired by the legislator and is thus facilitated in various ways. As the shares shall only be issued to specific persons, an exclusion of subscription rights is required. In the view of the Executive Board and of the Supervisory Board this is justified based on the small volume of less than 2% of the current nominal capital (while attributing the repurchased treasury shares used for employee share purchase plans during the term of this authorisation) and based on the positive effects to be expected by the issuance of employee shares.

Within the framework of the employee share purchase plan, the eligible persons shall be given the possibility to quarterly invest a certain portion of their compensation in shares of the Company at a reduced purchase price ("investment shares"). The reduction of the purchase price shall be assessed in a way which is common for plans of this type and in a way deemed required by the Executive Board and the Supervisory Board in order to motivate the highest possible number of eligible persons to participate. In addition to the shares acquired at a reduced purchase price, following a one-year retention period, the participating eligible persons receive further shares free of charge (so-called "matching shares"). It is intended to determine the ratio between the matching shares and the investment shares continuously held during the retention period to range between one to five and one to seven. The principal requirement for the granting of matching shares shall be that the eligible persons are employed by the Company or by one of its affiliated companies for the entire duration of the retention period. In certain exceptional cases, matching shares may also be issued to (then) former employees or members of management bodies, or the prescribed retention period may be waived.

The additional requirement that employee shares may only be issued to eligible persons employed by an affiliated company in the US on the basis of employee share purchase plans which are oriented towards the requirements of Section 423 of the American Internal Revenue Code is based on tax reasons. This enables eligible persons to receive non-monetary benefits with a small income tax burden within the framework of employee share purchase plans.

Further details on the terms of the employee share purchase plan will be included in the plan terms to be determined by the Executive Board with the Supervisory Board's approval.

Through the issuance of shares with a long-term incentive effect, not only positive but also negative developments can be taken into consideration. In addition to a bonus-effect, the issuance of shares with retention periods or holding incentives does, for example, also trigger a malus-effect in case of negative developments.

In accordance with the regulations of the Stock Corporation Act, the shares required for the employee share purchase plan may be issued i. a. against contributions in cash (insofar as a contribution needs to be made by the eligible person) or from authorised capital at the expense of a portion of the annual net profit (insofar as the shares shall be issued without consideration). In order to issue matching shares without consideration, the Executive Board, considering the regulations defined in more detail under § 204 section 3 AktG, shall be entitled to issue shares from the Authorised Capital 2016 at the expense of that portion of the annual net profit which the Executive Board and the Supervisory Board may transfer to other retained earnings in accordance with § 58 section 2 AktG. In order to have sufficient authorised capital available for the next years to create employee shares, the new authorised capital shall have a volume of EUR 4,000,000. The volume takes into account the number of potentially eligible persons, i.e. the employees of the Company and its affiliated companies as well as the members of management bodies of affiliated companies, and the term of authorisation. Any repurchased treasury shares of the Company which are used by the Company in connection with employee share purchase plans during the term of the Authorised Capital 2016 shall be attributed to the maximum number of 4,000,000 shares.

In case of a utilisation of the Authorised Capital 2016, the new shares may also be issued involving one or more credit or financial service institutions, one or more companies acting in accordance with § 53 section 1 sentence 1 or § 53b section 1 sentence 1 or section 7 of the German Banking Act or a group or a syndicate of banks, financial service institutions and/or such companies or other third parties. Thus, the handling of the issuance of shares is made possible, as a direct subscription of the shares is not practical due to the large number of eligible persons.

### **Report of the Executive Board on Agenda Item 9 pursuant to §§ 71 section 1 number 8, 186 section 4 sentence 2 AktG**

Under Agenda Item 9, the Executive Board and Supervisory Board propose that the Company be authorised, pursuant to § 71 section 1 number 8 AktG and in accordance with customary corporate practices, to repurchase its outstanding treasury shares up to a total of 10% of the nominal capital valid at the time of the adoption of the resolution on May 12, 2016 or – if this amount is lower – on the date on which the aforementioned authorisation is exercised.

The Executive Board gives a written report on this topic in accordance with §§ 71 section 1 number 8, 186 section 4 sentence 2 AktG, which is published in full hereafter:

#### **General**

The authorisation for the repurchase of treasury shares adopted by the Annual General Meeting on May 8, 2014 only expires on May 7, 2019. However, against the background of the

planned introduction of an employee share purchase plan in favour of (current and former) employees of the Company and its affiliated companies as well as in favour of (current and former) members of management bodies of the Company's affiliated companies, the Executive Board shall explicitly be given the possibility to acquire treasury shares while utilising the authorisation in accordance with § 71 section 1 number 8 AktG in order to also issue these shares within the framework of an employee share purchase plan. Thus, the authorisation shall be renewed and amended by the necessary components by the Annual General Meeting, and the resolution on the authorisation adopted on May 8, 2014 shall be cancelled with the entry into force of the new resolution on the authorisation.

The Supervisory Board may provide that transactions based on these authorisations may only be carried out subject to the approval of the Supervisory Board or one of its committees.

### **Repurchase**

When repurchasing treasury shares, the principle of non-discrimination under § 53a AktG must be observed. The proposed repurchase of shares either via the stock exchange, through a public repurchase offer, through a public invitation to submit sale offers or the issuance of tender rights to shareholders adheres to this principle. If the public offer or public invitation to submit a sale offer is over-subscribed, i. e. in total more shares were offered to the Company for purchase than the Company is to buy, the acceptances must be done on a pro-rata basis. In such a case, the ratio of the number of shares offered by individual shareholders is decisive. It is not relevant how many shares a shareholder, who offers shares for sale, holds in total. Only the offered shares are for sale. In addition, a verification of the entire number of shares of individual shareholders is not practicable. Any rights of tender held by shareholders are partially excluded in such cases. The Company may provide for a preferred acceptance of smaller amounts of shares of up to 50 tendered shares per shareholder as well as a rounding of residual amounts in accordance with general commercial principles in such a case. These prospects are intended to avoid any residual amounts when establishing the percentages to be repurchased and any residual amounts and therefore serve to facilitate and simplify the technical settlement. Any tender rights of shareholders are therefore also partially excluded in this case.

### **Sale and other ways of utilisation**

Under the proposed authorisation, treasury shares repurchased by the Company may either be cancelled or resold through a public offer made to all shareholders in relation to their shareholding quota or through transactions on the stock exchange. With respect to the latter two possibilities of selling the repurchased treasury shares, the shareholders' right of non-discrimination will be respected during the sale. In the following cases, however, the Company shall have the possibility of excluding the subscription rights of shareholders or the subscription rights are excluded necessarily in accordance with §§ 71 section 1 number 8, 186 section 3 AktG:

- 1) Firstly, the Executive Board is authorised to exclude residual amounts from the subscription rights in case of an offer to all shareholders in order to achieve an even subscription ratio. Without subscription rights being excluded regarding possible residual amounts, the technical settlement of the sale and the exercise of the subscription rights would be hindered considerably. The new residual amounts thus

excluded from subscription rights of shareholders shall either be sold on the stock exchange or used in any other manner most favourable for the Company.

- 2) Furthermore, in compliance with the statutory regulation set forth in § 71 section 1 number 8 AktG, the proposed authorisation provides that the Executive Board may sell the repurchased treasury shares in a manner other than through a sale on the stock exchange or an offer made to all shareholders if the repurchased treasury shares are sold in exchange for cash payment in accordance with § 186 section 3 sentence 4 AktG at a price that as of the date of sale is not significantly below the stock market price for the Company's shares with the same features. The date of sale shall be considered the date of entering into the assignment agreement, even if such is still subject to the fulfilment of certain conditions. If the assignment is not preceded by a particular assignment agreement, the date of sale shall be the date of the assignment itself. This shall also apply if the assignment agreement specifies the date of assignment as relevant date. The final sales price for treasury shares will be established prior to the sale of the treasury shares. This possibility of selling treasury shares is limited to 10% of the nominal capital taking into account the calculations stipulated in the proposed resolution.

The prospect of selling treasury shares as described above is in the best interest of the Company and the shareholders since the sale of shares to institutional investors, for example, will attract additional domestic and foreign shareholders. In addition, the Company will then be in a position to restructure its own equity capital to meet its respective business needs and to react quickly and flexibly to a more favourable stock market environment. The property interests and voting rights interests of the shareholders will be respected. In view of the small volume of a maximum of 10% of the nominal capital, the shareholders will not suffer any detriment since the shares sold subject to the exclusion of the shareholders' subscription rights may be sold only at a price, which - as of the date of the sale - is not significantly below the stock market price for the Company's shares with the same features. Interested shareholders may on approximately the same terms and conditions purchase on the stock exchange the number of shares required to maintain their respective shareholding quota.

- 3) The Company shall also be able to offer its treasury shares as consideration in connection with mergers and (also the indirect) acquisition of companies, parts of companies or participations. The proposed authorisation shall further enable the Company to also use treasury shares as consideration for the contribution of other business assets, especially real estate and rights to real estate or receivables (also from the company) (see 4) below for the purchase of intellectual/intangible property rights).

The price at which treasury shares are used in any such case will depend on the corresponding timing and respective circumstances of the individual case. When setting the price, the Executive Board and the Supervisory Board shall act in the best interests of the Company and, if possible, in line with the stock market price.

Historically, the Executive Board has continuously reviewed opportunities for the Company to purchase companies, parts of companies or participations in companies which are involved in the business of producing and selling sports or leisure goods or are otherwise involved in the business of the Company. The purchase of such participations, companies or parts of companies by the Company or a subordinated

group company is in the Company's best interest if the purchase expectedly solidifies or strengthens the market position of the Group or allows for or facilitates the access to new business sectors. The granting of shares in the other cases of purchase of other business assets will be in the best interest of the Company if the business assets acquired are useful for the Company's business or promises advantages for the financial position, assets or liabilities and profit or loss of the Company and if a purchase in return for cash is not possible or is not possible at reasonable conditions.

In order to be able to quickly and flexibly react to a legitimate interest of a seller or of the Company in a (part) payment in the form of shares of the Company for such acquisitions, the Executive Board must – to the extent that authorised capital cannot or should not be used – have the authority to grant treasury shares of the Company while excluding the shareholders' subscription rights. Since the volume of treasury shares will be limited and the shares shall be issued at a price that is based on the stock market price, if possible, the interested shareholders will have the opportunity, at about the same time as treasury shares are sold for the aforementioned purposes of acquiring companies, parts of companies or participations or otherwise and the shareholders' subscription rights are excluded, to purchase additional shares on the stock exchange to a large extent on comparable terms and conditions.

Based on the aforementioned considerations, the Executive Board believes that the proposed authorisation to utilise treasury shares is in the best interest of the Company, which can in any individual case justify the exclusion of the shareholders' subscription rights. The concrete exclusion of subscription rights is decided upon on a case-by-case basis by the Executive Board taking into consideration the Company's interests in any specific transaction, the actual necessity for the (partial) granting of shares and the evaluation of the share and the consideration.

- 4) Furthermore, the Company shall have the opportunity to use its treasury shares as (part) consideration for the transfer of intellectual property rights or intangible property rights of athletes, sports clubs and other persons, such as trademarks, names, emblems, logos and designs, to the Company or one of its subordinated group companies for purposes of marketing the products of the Group. In addition, treasury shares shall serve as consideration for the direct or indirect acquisition of (possibly time-limited) rights of use (licences) in such rights by the Company. Moreover, the Company shall also be able to use its treasury shares for purchasing patents and patent licences, the exploitation of which would be in the Company's interest for purposes of marketing and developing existing or new products of the Group.

In the event that athletes, sports clubs or other persons holding rights in such intellectual property rights or intangible property rights are prepared to transfer or licence such rights only in exchange for (partial) granting of shares, or, in case of cash payments, only at significantly higher prices, or if the utilisation of the Company's shares for other reasons is in the interest of the Company in such a case, the Company has to be in a position to react to such a situation in an appropriate way.

This may be the case, for example, whenever the Executive Board negotiates a sponsoring agreement with a sports club in Germany or abroad, which is intended to permit the Company to exploit the known names, emblems and/or logos of such club under a licence in order to help market the products of the Group.

Furthermore, the Executive Board considers it possible that there will be opportunities for the Company, in (partial) exchange for shares of the Company, to directly or indirectly purchase patents or licences for patent rights, the exploitation of which will be in the Company's best interest for the products that the Group currently has, is currently developing or planning to develop in the future.

The acquisition of industrial/intangible property rights or of licenses to such rights is conducted either by the Company or by subordinate group companies. If necessary, the purchase shall be made from companies or other persons to whom the relevant rights were assigned for exploitation. It is also conceivable that the granted consideration will consist of shares as well as cash (e.g. royalties) and/or other types of consideration.

The evaluation of the industrial/intangible property rights or the licences for such rights to be acquired by the Company directly or indirectly shall be carried out in accordance with market-oriented principles, if necessary, on the basis of an expert valuation. The evaluation of the shares to be granted by the Company shall be conducted taking the stock market price into consideration. Shareholders who wish to maintain their shareholding quota in the Company may therefore do so through acquiring further shares through the stock exchange at essentially comparable conditions.

The (partial) granting of shares in the aforementioned cases will be in the best interest of the Company if the use and exploitation of the intellectual/intangible property rights or the licences based thereon promises advantages for the Company in the marketing and promotion and/or development of its products and a purchase of such rights in return for cash is not possible or is possible only at a higher price at a disadvantage to the Company's liquidity and cash flow or if there are other reasons for not utilising cash.

Based on the aforesaid considerations, the Executive Board believes that the proposed authorisation for the utilisation of treasury shares is in the best interest of the Company and its shareholders, which can, in any individual case, justify the exclusion of the shareholders' subscription rights. The concrete exclusion of subscription rights is decided upon on a case-by-case basis by the Executive Board taking into consideration the Company's interests in any specific transaction, the actual necessity for the (partial) granting of shares, the proportionality while taking into account the shareholders' interests and the evaluation of the share and the consideration.

- 5) Thus, the authorisation to repurchase and sell treasury shares in respect of such opportunities mentioned under the above sections 3) and 4) serves the same purposes as the Authorised Capital 2015 in accordance with § 4 section 3 of the Articles of Association. The Company thus has the possibility of acquiring companies, parts of companies and participations or other business assets as well as intellectual/intangible property rights or licences for such rights by using treasury shares either previously repurchased by the Company or new shares to be issued from the Company's authorised capital reserve. The Executive Board decides on a case-by-case basis whether to use shares for one of the purposes mentioned and whether to use treasury shares repurchased on the basis of this authorisation or the Authorised Capital 2015 under § 4 section 3 of the Articles of Association.



- 6) In addition, the Company shall have the opportunity to use its treasury shares to service subscription or conversion rights or obligations or the right to delivery of shares of the Company based on bonds issued by the Company or by any of its direct or indirect subsidiaries based on an authorisation by the Annual General Meeting.

The proposed resolution does not lead to the creation of a new or further authorisation to issue bonds. It merely serves the purpose of enabling the Company to service subscription or conversion rights or subscription or conversion obligations or the Company's rights to delivery of shares, which will be or were created on the basis of other authorisations granted by the Annual General Meeting, by using treasury shares instead of using the other intended amounts of Contingent Capital, provided, on a case-by-case basis and upon examination by the Executive Board and the Supervisory Board, such is in the interest of the Company. Subscription or conversion rights or subscription conversion obligations or the Company's right to delivery of shares, which are considered appropriate for servicing with treasury shares in accordance with the proposed authorisation, are based on (i) bonds which were issued on the basis of the authorisation to issue bonds with warrants and/or convertible bonds resolved upon by the Annual General Meeting on May 6, 2010 under Agenda Item 10, on (ii) bonds to be issued in the future based on the authorisation to issue bonds with warrants and/or convertible bonds proposed to the Annual General Meeting on May 8, 2014 under Agenda Item 7, as well as on (iii) bonds to be issued based on a future authorisation by the Annual General Meeting.

- 7) Furthermore, the Company shall be given the possibility to offer up to 4,000,000 repurchased treasury shares to (current and former) employees of the Company and its affiliated companies as well as to (current and former) members of the management bodies of affiliated companies for acquisition within the framework of employee share purchase plans. The use of treasury shares in lieu of a capital increase can be an economically reasonable alternative as it helps avoiding the expenditure associated with a capital increase, the admission of new shares for trading and the otherwise occurring dilutive effect. The issuance of employee shares is in the interest of the Company and its shareholders as it helps increasing the identification of employees and members of the management bodies with the Company as well as the willingness to assume more - particularly financial - responsibility, and as it also creates an incentive to strive for sustained growth of the Company.

As the shares shall only be issued to specific persons, an exclusion of subscription rights is required. In the view of the Executive Board and of the Supervisory Board this is justified based on the small volume of less than 2% of the current nominal capital (with an attribution of the treasury shares issued from the Authorised Capital 2016 for employee share purchase plans during the term of this authorisation) and based on the positive effects to be expected by the issuance of employee shares.

The Company intends to give the eligible persons the possibility to quarterly invest a certain portion of their compensation in shares of the Company at a reduced purchase price ("investment shares"). The reduction of the purchase price shall be assessed in a way which is common for plans of this type and in a way deemed required by the Executive Board and the Supervisory Board in order to motivate the highest possible number of eligible persons to participate. Following a one-year retention period, the participating eligible persons receive further shares in addition to the shares purchased at a reduced purchase price free of charge (so-called "matching shares"). It is intended

to determine the ratio between the matching shares and the investment shares continuously held during the retention period to range between one to five and one to seven. The principal requirement for the granting of matching shares shall be that the eligible persons are employed by the Company or by one of its affiliated companies for the complete duration of the retention period. In certain exceptional cases, matching shares may also be issued to (then) former employees or members of management bodies, or the prescribed retention period may be waived. Further details of the terms of the employee share purchase plan will be included in the plan terms to be determined by the Executive Board, if required, with the Supervisory Board's approval.

The additional requirement that employee shares may only be issued to eligible persons employed by an affiliated company in the US on the basis of employee share purchase plans which are oriented towards the requirements of Section 423 of the American Internal Revenue Code is based on tax reasons. This enables eligible persons to receive non-monetary benefits with a small income tax burden within the framework of employee share purchase plans.

Through the issuance of shares with a long-term incentive effect, not only positive but also negative developments can be taken into consideration. In addition to a bonus-effect, the issuance of shares with retention periods or holding incentives does, for example, also trigger a malus-effect in case of negative developments.

In order to have sufficient shares available for employee share purchase plans for the next years, no more than 4,000,000 treasury shares can be used for this purpose. Any treasury shares issued by the Company in connection with employee share purchase plans from the Authorised Capital 2016 during the term of the authorisation shall be attributed to the maximum number of 4,000,000 treasury shares. The volume takes into account the number of potentially eligible persons, i.e. the employees of the Company and its affiliated companies as well as the members of management bodies of affiliated companies and the term of authorisation.

- 8) § 87 AktG stipulates that variable compensation components for Executive Board members i. a. also include components on a perennial basis for determination. It is recognised and generally common that in this respect, also share-related components are taken into consideration.

The provision under section 3) of the proposed resolution enables the Supervisory Board to pay out management bonuses in the form of shares. As the authorisation may only be used provided a reasonable level of compensation is ensured (§ 87 section 1 AktG) and further provided that an appropriate legal and economic minimum retention period is determined and that the shares shall be granted and assigned at the respective current stock market price, it is ensured that the shareholders' subscription rights are excluded only to an appropriate extent and in the interest of the Company. The Executive Board members, who receive shares as compensation on this basis, have an additional interest in achieving an increase in value of the Company expressed by the share price. They bear the price risk, as it is not permissible to dispose of or otherwise use the shares within the retention period. Thus, the Executive Board members participate in possible negative developments with their compensation. The same shall apply if the shares as part of the compensation are not immediately assigned but, with regard to the fact that there is no possibility of selling such shares anyway, are first only promised.

Even then, the risk of the further share price development is borne by the respective Executive Board member.

Further details are determined by the Supervisory Board within the scope of its legal responsibilities. It particularly decides whether, when and to what extent it will utilise the authorisation [§ 87 section 1 AktG]. In view of the statutory distribution of responsibilities, the Supervisory Board, however, does not have the possibility as representative of the Company to acquire shares of the Company itself for the purpose of compensating the Executive Board or to ask the Executive Board to acquire such treasury shares on its behalf. At present, there are no concrete plans with regard to the utilisation of shares for a share bonus.

### **Report of the Executive Board on Agenda Item 10 pursuant to §§ 71 section 1 number 8, 186 section 4 sentence 2 AktG**

In addition to the report given under Agenda Item 9, the Executive Board also gives a written report in accordance with §§ 71 section 1 number 8, 186 section 4 sentence 2 AktG on the resolution proposed under Agenda Item 10, which is published in full hereafter:

In addition to the possibilities provided for under Agenda Item 9 to acquire treasury shares, the Company shall also be authorised to acquire treasury shares using particular equity derivatives. By doing this, the volume of shares that may be purchased will not be increased but simply further alternatives to purchase treasury shares will be available. These additional alternatives will expand the Company's ability to structure the acquisition of treasury shares in a flexible manner.

For the Company it may be advantageous to purchase call options, sell put options or acquire shares using a combination of call and put options or other equity derivatives instead of directly acquiring shares of the Company. These acquisition alternatives are limited from the outset to 5% of the nominal capital existing on the date on which the resolution is adopted by the Annual General Meeting or – if this amount is lower – on the date on which the aforementioned authorisation was exercised. The term of the options may not exceed 18 months and must furthermore be chosen in such a way that the shares are acquired upon the exercise of the options no later than May 11, 2021. Thus, it is guaranteed that the Company will not repurchase any treasury shares after expiration of the authorisation to repurchase treasury shares valid until May 11, 2021 - subject to a new authorisation.

When agreeing a call option, the Company obtains the right against payment of an option premium to, prior to a deadline or at a certain point of time, purchase shares of the company the number of which was agreed in advance at a specific price (strike price) from the respective seller of the option, the option writer. The exercise of the call option is principally sensible from the Company's point of view if the stock exchange rate of the share is higher than the strike price as it can then purchase the shares at a lower price from the option writer than on the market. The same is applicable if, by exercising an option, a block of shares is purchased which could otherwise only have been acquired at higher expenses. In addition, the Company's liquidity is preserved when using call options as the strike price for the shares only needs to be paid upon exercise of the call option. These aspects may, in individual cases, justify that the Company utilises call options for a planned repurchase of

treasury shares. The option premium must be determined in close conformity with the market - also considering i. a. the strike price, the term of the option and the volatility of the share - corresponding in essence to the same value as the call option.

When selling put options, the Company gives the respective holder of put options the right to, within a certain time period or at a certain point of time, sell shares of the Company to the Company at a price specified in the put option conditions (strike price). In return for the obligation to acquire treasury shares in accordance with the put option, the Company shall receive an option premium which has to be established again in close conformity with market conditions, i. e. which basically corresponds to the value of the put option taking into consideration, i. a. the strike price, the option term and the volatility of the shares. For the option holder, the exercise of a put option principally makes economic sense only if the stock market price of the shares, at the time of exercise, is below the strike price because the option holder can then sell the shares to the Company at a higher price than he can achieve at the market. The Company, however, can protect itself at the market against too high risks from the development of the exchange rate. The share buyback using put options is advantageous for the Company as the Company may specify a certain strike price already when concluding the option transaction, whereas liquidity will not flow out until the date the options are exercised. From the Company's perspective the consideration to be paid for the acquisition of the shares is reduced by the option premium already collected. If the option holder does not exercise the options, particularly because the share price on the date or during the time period of the exercise exceeds the strike price, the Company, although unable to acquire any treasury shares, still finally keeps the option premium received without any further consideration.

The consideration to be paid by the Company for the shares using put options is the respective strike price (excluding incidental purchasing costs but considering the received option premium). The strike price may be higher or lower than the stock market price of the share of the Company on the day of the conclusion of the put option transaction and on the day of the acquisition of the shares upon exercise of the put option. It may, however, not be more than 10% higher or 20% lower than the average stock market price for the Company's shares as established in the opening auction of the electronic trading system on the Frankfurt Stock Exchange on the day of conclusion of the respective put option transaction. The consideration to be paid by the Company for the shares using call options is the respective strike price. The strike price may be higher or lower than the stock market price of the share of the Company on the day of the conclusion of the call option transaction and on the day of the acquisition of the shares upon exercise of the call option. It may, however, not be more than 10% higher or 10% lower than the average stock market price for the Company's shares as established in the closing auctions of the electronic trading system on the Frankfurt Stock Exchange on the last three trading days prior the exercise of the call option. In this case, incidental purchasing costs and the option premium are not considered.

The Company may also conclude equity derivatives providing for a delivery of shares with a reduction on the weighted average stock market price. The obligation to execute option transactions and other equity derivatives solely with one or more credit or financial service institution(s) or such equal companies while ensuring that the options and other equity derivatives are only serviced with shares acquired under observance of the principle of non-discrimination is designed to rule out any disadvantages for shareholders in the event of share buybacks using equity derivatives. In accordance with the legal provisions under § 71 section 1 number 8 AktG, the principle of non-discrimination is satisfied if the shares are acquired through the stock exchange at the stock market price of the Company's shares

valid at the time of the acquisition through the stock exchange. As the price for the options (option price) is determined in close conformity with market conditions, the shareholders not involved in the option transactions do not suffer any loss in value. On the other hand, the possibility of using equity derivatives enables the Company to make use of short-term market opportunities and to execute the appropriate option transactions or other equity derivatives. Any rights of shareholders to conclude such option transactions or other equity derivatives with the Company as well as any tender rights of shareholders are excluded. Such exclusion is necessary to enable the Company to use equity derivatives in connection with the repurchase of treasury shares and to achieve the advantages resulting from such use. A conclusion of the relevant equity derivatives with all shareholders is not feasible.

Having carefully weighed the interests of shareholders and of the Company, and given the advantages to the Company that may result from the use of call options, put options, a combination of call and put options or other above-mentioned equity derivatives, the Executive Board considers the authorisation for the non-granting or restriction of shareholders' rights to conclude such equity derivatives with the Company or to tender their shares to be generally justified.

With regard to the utilisation of treasury shares repurchased based on equity derivatives, there is no difference to the possibilities of utilisation proposed under Agenda Item 9. Regarding the justification of the exclusion of the shareholders' subscription rights when utilising shares, please see the report by the Executive Board on Agenda Item 9.

### **III. Further Information and Details**

#### **DOCUMENTS PERTAINING TO THE ANNUAL GENERAL MEETING; PUBLICATIONS ON THE COMPANY'S WEBSITE**

The adopted annual financial statements and the approved consolidated financial statements as at December 31, 2015, the combined management report for adidas AG and the adidas Group for the 2015 financial year, the explanatory report of the Executive Board on the disclosures pursuant to §§ 289 sections 4 and 5, 315 section 4 HGB, the Supervisory Board Report for the 2015 financial year as well as the Executive Board's proposal on the appropriation of retained earnings are available on the Company's website at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm) from the convocation until the conclusion of the Annual General Meeting. The documents are also displayed at the Annual General Meeting.

As of the convocation and until the conclusion of the Annual General Meeting, the following documents pertaining to Agenda Item 7 are available on the aforementioned website of the Company:

1. the profit and loss transfer agreement concluded between adidas AG and adidas anticipation GmbH on March 4, 2016,

2. the annual financial statements and management reports of adidas AG for the last three financial years. Annual financial statements and management reports of adidas anticipation GmbH are not available, as adidas anticipation GmbH was only established on January 25, 2016 and thus the first financial year has not yet been concluded.
3. the Report of the Executive Board on Agenda Item 7 pursuant to § 293a AktG, which is also published in full in the Agenda.

Furthermore, as of the convocation and until the conclusion of the Annual General Meeting, the written reports of the Executive Board on Agenda Items 8, 9 and 10, which are also published in full in the Agenda, are available on the aforementioned website of the Company.

All aforementioned documents pertaining to the Agenda Items 7, 8, 9 and 10 will also be available for inspection at the Company's business premises as of the date of convocation of the Annual General Meeting. Upon request, copies of these documents will be sent to shareholders without delay and free of charge. According requests should be sent to the below-mentioned address provided for counter motions.

The documents are also displayed at the Annual General Meeting.

The further information and documents outlined in § 124a sentence 1 AktG are also accessible on the Company's website [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm) as of the day of convening the Annual General Meeting.

## **TOTAL NUMBER OF SHARES AND VOTING RIGHTS**

As at the date of convocation of the Annual General Meeting, the Company's nominal capital amounts to EUR 209,216,186 divided into 209,216,186 registered no-par-value shares (shares). Each share grants one vote. Therefore, as at the date of convocation the total number of shares and of voting rights at the Annual General Meeting amounts to 209,216,186. This total number of shares also includes 9,018,769 treasury shares currently held directly by the Company, which do not confer any rights to the Company.

## **PRECONDITIONS FOR PARTICIPATION IN THE ANNUAL GENERAL MEETING AND FOR THE EXERCISE OF VOTING RIGHTS**

Only shareholders who are entered in the share register at the day of the Annual General Meeting and who have registered by May 5, 2016 (24:00 hrs CEST) are authorised to participate in the Annual General Meeting and exercise their voting rights.

It is possible to register via the Company's website by using the password-protected shareholder portal of the Company ("shareholder portal"), subject to technical availability of the website, at

[www.adidas-Group.com/agm](http://www.adidas-Group.com/agm)

Shareholders can gain access to the shareholder portal by entering their shareholder number and the respective access password; both are included with the documents sent out with the invitation to the Annual General Meeting. Shareholders who have registered for the electronic dispatch use the user ID and the access password which they selected upon registration.

If registration is not done via the shareholder portal, the registration must otherwise reach the Company in text form giving the name of the person making the declaration in German or English. The day of receipt of the registration is decisive for meeting the deadline. The registrations should be sent to:

adidas AG  
c/o Computershare Operations Center  
80249 Munich, Germany

Fax: +49 89 30903-74675  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Further information regarding the registration process is contained in the registration form sent to the shareholders together with the invitation, which form may be used for registration. Information on the registration process can also be found on the aforementioned website.

When registering, shareholders can order an entrance ticket for the Annual General Meeting. Shareholders who have registered via the shareholder portal have the possibility to directly print out their entrance ticket themselves.

Unlike registration for the Annual General Meeting, the entrance ticket is not a precondition for participation, but merely serves to simplify the procedure at the registration counters for granting access to the Annual General Meeting.

## **DISPOSAL OF SHARES AND CHANGES TO THE ENTRIES IN THE SHARE REGISTER**

The shares will not be blocked upon registration for the Annual General Meeting. Thus, shareholders may continue to dispose of their shares at their discretion even after having registered.

The shareholding as entered in the share register at the date of the Annual General Meeting is relevant for participation in the Annual General Meeting and the exercise of voting rights. The shareholding will correspond to the entries in the share register based on the requests for changing entries received by the Company by May 5, 2016 (24:00 hrs CEST) (so-called technical record date). For technical reasons, requests for changing entries received by the Company between this date and the day of the Annual General Meeting (including) will not be processed; this means that up to and including May 12, 2016, no changes will be made to the entries in the share register. Shareholders whose requests for changing entries in the share register for acquired shares are received after May 5, 2016 (24:00 hrs CEST) will thus not be able to participate in the Annual General Meeting and to exercise voting rights deriving from these shares. However, shareholders who are entered in the share register at this date remain authorised to participate and to exercise their voting rights if they fulfil all other preconditions for participation.

## PROXY VOTING PROCEDURE

Shareholders who are entered in the share register and who do not wish to personally exercise their voting rights at the Annual General Meeting may have their voting rights exercised through the authorisation of a bank, a shareholders' association or any other person of their choice. Shareholders also need to fulfil the aforementioned "Preconditions for Participation in the Annual General Meeting and for the Exercise of Voting Rights" if power(s) of representation are granted. If a shareholder grants powers of representation to more than one person, the Company may reject one or more of these persons.

**If neither a bank nor a shareholders' association** or persons, institutes or companies being of equal status (§§ 135 sections 8 and 10, 125 section 5 AktG) are appointed as proxy, the power of representation, its revocation and the verification of such power vis-à-vis the Company must be in text form (§ 126b German Civil Code [Bürgerliches Gesetzbuch – BGB]). Such powers may especially be granted/revoked and verified via the shareholder portal, subject to technical availability, at

[www.adidas-Group.com/agm](http://www.adidas-Group.com/agm)

as well as by using the registration form or the entrance ticket and sending it to the address stated respectively thereon, or otherwise by sending in text form giving the name of the person making the declaration and sent to the address given below:

adidas AG  
c/o Computershare Operations Center  
80249 Munich, Germany

Fax: +49 89 30903-74675  
E-mail: [adidas-hv2016@computershare.de](mailto:adidas-hv2016@computershare.de)

A proxy may also verify his/her power of representation by presenting the power of representation at the registration counter on the day of the Annual General Meeting.

For using the shareholder portal, the instructions for the registration via the shareholder portal shall apply accordingly.

For granting powers of representation to **banks, shareholders' associations** or persons, institutes or companies being of equal status with regard to the exercise of voting rights in accordance with § 135 section 8 or §§ 135 section 10, 125 section 5 AktG as well as for the revocation and verification of such powers, § 135 AktG shall apply. This stipulates that the power of representation shall be kept by the respective proxy for review. It shall be completed in full and may only contain statements related to the exercise of voting rights. Furthermore, each proxy may have specific regulations for acting as proxy; this should be clarified with the respective proxy in advance.

As in the past, we offer our shareholders the possibility of authorising the **proxies appointed by the Company** to represent them at the Annual General Meeting in accordance with their voting instructions. For this purpose, power/powers of representation and voting instructions must be granted for exercising the voting rights. It should be noted that the proxies may neither before nor during the Annual General Meeting be granted voting instructions on procedural motions or on motions and proposals made during the Annual



General Meeting for the first time. They furthermore cannot propose motions or ask questions on behalf of the shareholder or raise objections. The proxies are moreover only able to exercise voting rights on such agenda items for which they have been given voting instructions by the shareholders.

- Subject to technical availability of the website, shareholders may, until the end of the general debate, also grant powers of representation and voting instructions to the proxies appointed by the Company electronically via the shareholder portal at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm). For using the shareholder portal, the instructions for the registration via the shareholder portal shall apply accordingly. Only power(s) and instructions granted via the shareholder portal can still be changed during the course of the Annual General Meeting, also until the end of the general debate, subject to technical availability of the website.
- Shareholders may also grant power(s) of representation and voting instructions to the proxies appointed by the Company by using the registration form sent to them together with the invitation and by sending it to the address stated thereon. Powers of representation and voting instructions may also be granted using the entrance ticket which is sent to shareholders upon request, by sending it to the address stated thereon. Powers of representation and voting instructions may furthermore be granted otherwise in text form giving the name of the person making the declaration. Powers of representation granted using the registration form, the entrance ticket or otherwise in text form need to reach:

adidas AG  
c/o Computershare Operations Center  
80249 Munich, Germany

Fax: +49 89 30903-74675  
E-mail: [adidas-hv2016@computershare.de](mailto:adidas-hv2016@computershare.de)

by May 11, 2016 (24:00 hrs CEST).

Power(s) of representation and voting instructions may be revoked or changed prior to the Annual General Meeting in text form in one of the ways outlined above, reaching the Company by May 11, 2016 (24:00 hrs CEST).

Even after having granted powers of representation, shareholders may personally exercise their shareholders' rights at the Annual General Meeting. **Personal attendance** is deemed as a revocation of a previously granted power of representation.

## **SUPPLEMENTARY ITEMS FOR THE AGENDA (pursuant to § 122 section 2 AktG)**

Shareholders whose shares correspond to one-twentieth of the nominal capital or to a pro-rata amount of EUR 500,000 or more in the nominal capital may demand that items are added to the agenda and published i. a. in the German Federal Gazette and on the website at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm). Each new item must be accompanied by an explanatory statement or a proposed resolution. Such demands must have reached the Company's Executive Board by April 11, 2016, (24:00 hrs CEST). Please submit such demands in writing to:

adidas AG  
Executive Board  
Global Legal & Compliance – Group Corporate  
Adi-Dassler-Straße 1  
91074 Herzogenaurach, Germany

or by e-mail including the names of the shareholders making the request and a qualified electronic signature to:

[agm-service@adidas-Group.com](mailto:agm-service@adidas-Group.com)

Demanding shareholders must prove that they have been in possession of the minimum amount of shares for a period of at least three months as stipulated by law (§§ 122 section 2, 122 section 1 sentence 3, 142 section 2 sentence 2 AktG as well as § 70 AktG) and that they will be in possession of the shares until the decision on posting the application has been passed.

## **COUNTERMOTIONS AND NOMINATIONS SUBMITTED BY SHAREHOLDERS (pursuant to §§ 126 section 1, 127 AktG)**

**Countermotions** by shareholders on particular items of the agenda or **proposals** by shareholders **on the election** of Supervisory Board members or the auditor are made accessible on the Company's website at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm) including the shareholder's name, the explanatory statement - if required and available - and a possible statement by the management insofar as the following requirements are met:

Any countermotions to a proposal of the Executive Board and/or of the Supervisory Board on a specific Agenda Item as well as any proposals for appointments must be received by the Company by April 27, 2016 (24:00 hrs CEST). They should be sent exclusively to

adidas AG  
Global Legal & Compliance – Group Corporate  
Adi-Dassler-Straße 1  
91074 Herzogenaurach, Germany

Fax: +49 9132 84-3219  
E-mail: [agm-service@adidas-Group.com](mailto:agm-service@adidas-Group.com)

Counter motions or nominations addressed otherwise or not received in time cannot be considered.

**Counter motions** require a statement of reasons. A counter motion with its statements of reasons does not need to be made accessible by the Company if one of the facts of exclusion pursuant to § 126 section 2 sentence 1 AktG exists. The statement of reasons does also not need to be made accessible if the entire document consists of more than 5,000 characters. The respective facts of exclusion are outlined on the Internet at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm).

**Shareholders' proposals** on the election of Supervisory Board members or the auditor do not require a statement of reasons. Shareholders' proposals do not have to be made accessible by the Company if one of the facts of exclusion in accordance with §§ 127, sentence 1, 126 section 2 sentence 1 AktG exists or if they do not contain the full name, the exercised profession and the place of residence of the candidate, as well as in case of proposals on the election of Supervisory Board members, details on their membership in other statutory supervisory boards (§ 127 sentence 3 AktG). The statement of reasons does not need to be made accessible if the entire document consists of more than 5,000 characters. The respective facts of exclusion are outlined on the website at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm).

The right of each shareholder to submit counter motions on various agenda items or to make proposals for candidates during the Annual General Meeting remains unaffected.

We would like to point out that counter motions and proposals for candidates, even if they were accessible upon shareholders' request prior to the Annual General Meeting, will only be considered at the Annual General Meeting if they are submitted at the meeting.

### **SHAREHOLDERS' RIGHTS TO INFORMATION (pursuant to § 131 section 1 AktG)**

At the Annual General Meeting, every shareholder or shareholder representative may request information on matters of the Company from the Executive Board insofar as this information is required for the appropriate judging of the agenda item. The right to information also extends to the legal and business relations of the Company to an affiliated company as well as the business situation of the Group and the companies included in the consolidated financial statements (§ 131 section 1 AktG). Requests are in general made orally at the Annual General Meeting within the discussion.

The information must conform to the principles of conscientious and truthful accountability. Pursuant to the requirements as stipulated under § 131 section 3 AktG, the Executive Board may refuse to provide information. An overview of the reasons pursuant to which the Executive Board may refuse to give information in accordance with § 131 section 3 AktG can be found on the website at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm).

Pursuant to § 22 section 2 of the Articles of Association, the chairman of the meeting can limit the shareholders' 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 or for individual questions or statements.

## **ONLINE TRANSMISSION OF THE ANNUAL GENERAL MEETING**

The Company's shareholders as well as any other interested person may follow the Annual General Meeting on May 12, 2016 from 10:30 hrs CEST in its full length live online at [www.adidas-Group.com/agm](http://www.adidas-Group.com/agm), subject to technical availability. A recording of the speech of the Chief Executive Officer will be available on the Company's website after the Annual General Meeting. Furthermore, promptly following the Annual General Meeting, the presentations held during the Annual General Meeting as well as the results of the votes can be found on the Company's website.

Herzogenaurach, March 2016

**adidas AG**  
**The Executive Board**

## **INFORMATION ON AGENDA ITEM 6 (Details on the new Supervisory Board members proposed for election to the Annual General Meeting)**

### **Ian Gallienne Co-Chief Executive Officer Groupe Bruxelles Lambert, Brussels, Belgium**

#### Personal Data:

**Born:** January 23, 1971 in Boulogne-Billancourt, France

**Nationality:** French

**Education:** Studies at the INSEAD, Fontainebleau, France, Master of Business Administration  
E.S.D.E., Paris, France, Bachelor of Arts in Business Administration, Major in Finance

#### Career:

<b>since 2012</b>	Co-Chief Executive Officer, Groupe Bruxelles Lambert
<b>since 2015</b>	Director, Umicore
<b>since 2013</b>	Director, SGS SA
<b>since 2013</b>	Director, Erbe
<b>since 2012</b>	Director, Pernod Ricard
<b>2005 – 2012</b>	Founder/CEO, Ergon Capital Partners
<b>1998 – 2005</b>	Director, Rhône Capital
<b>1995 – 1997</b>	Investment Manager, Synactic
<b>1992 – 1994</b>	Co-Founder, Loco Pins S.L.

#### **Mandates within the Groupe Bruxelles Lambert**

- Member of the Board of Directors, Imerys, Paris, France
- Member of the Board of Directors, Sienna Capital S.à.r.l., Strassen, Luxembourg
- Member of the Board of Directors, GBL Verwaltung SA, Strassen, Luxembourg

#### **Memberships in other statutory supervisory boards in Germany**

None

#### **Memberships in comparable domestic or foreign controlling bodies of commercial enterprises**

- Member of the Board of Directors, Pernod Ricard, Paris, France
- Member of the Board of Directors, SGS SA, Geneva, Switzerland
- Member of the Board of Directors, Umicore, Brussels, Belgium
- Member of the Board of Directors, Erbe, Loverval, Belgium

**Nassef Sawiris**  
**Chief Executive Officer**  
**OCI N.V., Amsterdam, The Netherlands**

Personal Data:

**Born:** January 19, 1961 in Cairo, Egypt

**Nationality:** Egyptian

**Education:** Studies at The University of Chicago, USA, Bachelor in Economics

Career:

**since 1998** Chief Executive Officer, OCI N.V. (formerly OCI S.A.E.)  
**since 2015** Non-Executive Chairman of the Board of Directors, Orascom Construction Limited

**since 2015** Director, LafargeHolcim Ltd.  
**since 2009** Chairman, OCI S.A.E.  
**2008 - 2015** Director, Lafarge S.A.  
**since 1982** various managerial positions in the Orascom Group

**Mandates within the OCI N.V. Group**

- Member of the Board of Directors, OCI Partners LP, Wilmington, Delaware/USA  
*(majority-owned subsidiary of OCI N.V.; resignation on June 30, 2016)*

**Memberships in other statutory supervisory boards in Germany**

None

**Memberships in comparable domestic or foreign controlling bodies of commercial enterprises**

- Non-Executive Chairman of the Board of Directors, Orascom Construction Limited, Dubai, UAE
- Member of the Board of Directors, LafargeHolcim Ltd., Jona, Switzerland

**Memberships in other bodies**

- Member of the International Leadership Board, Cleveland Clinic, Cleveland, Ohio/USA
- Member of the Board of Trustees, The University of Chicago, Chicago, Illinois/USA
- Vice-Chairman of the Board of Directors, BESIX Group, Brussels, Belgium  
*(50% subsidiary of Orascom Construction Limited; resignation on June 30, 2016)*