

Human Rights Policy

Introduction

1. Respecting and promoting the fulfillment of human rights is rooted in our purpose that “through sport, we have the power to change lives”.
2. Human rights are basic rights and freedoms for everyone based on dignity, fairness, equality, and respect. adidas respects human rights, among others, by implementing an ongoing due diligence process to identify, address, evaluate, and communicate the risks of involvement with adverse human rights impacts through our own operations, products, or services, or via our business relationships.

Our Human Rights Commitment

3. adidas is committed to respecting human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). We also draw on guidance from the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.
4. adidas’ commitment embraces all internationally recognized human rights, including those contained in:
 - the International Bill of Human Rights consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights as well as the International Covenant on Economic, Social and Cultural Rights; and
 - the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work including freedom of association and the right to collective bargaining, the rights not to be subject to forced labor, child labor, or discrimination in respect of employment and occupation.

Where there is potential for adverse impacts on vulnerable people or groups, we will also consider other international standards and principles that elaborate on the rights of such individuals or groups, including indigenous peoples, women, national, ethnic, religious, and linguistic minorities, children, disabled people, migrant workers and their families, and human rights defenders. This includes, for example, the Convention on the Elimination of All Forms of Discrimination Against Women and the Convention on the Rights of the Child.

5. We strongly support the practice of sports as a human right and take active measures to improve equal access to sports worldwide.
6. adidas is committed to taking measures, based on due diligence processes, to avoid causing or contributing to adverse human rights impacts through our own activities, and to addressing and remediating such impacts when they occur. In addition, we seek to prevent or mitigate adverse human rights impacts that are directly linked to our operations, products, or services by our business relationships, even if adidas has not contributed to those impacts. We seek to exercise our leverage, and increase such leverage where necessary, to address adverse human rights impacts arising out of our business relationships.

7. adidas' business involves the design, manufacture, and sale of sporting goods. We directly employ tens of thousands of people and are linked to the employment of hundreds of thousands more through our third-party partners, contract manufacturers and licensees. While adverse human rights impacts have the potential to occur across any business setting, we understand that our involvement is most likely to occur through our relationship with other parties. This is reflected in our approach to the selection and retention of our business partners, and their adherence to the adidas [Workplace Standards](#), in our screening of potential suppliers and other business partners, and in our participation in sports sponsorships.
8. Our understanding of adidas' human rights risks is regularly reviewed and evaluated, drawing on feedback from our stakeholders. Through our due diligence processes, we have identified the following issues as salient to our business:
 - a. **Labor rights:** We strive to uphold and promote international labor standards, in particular the principles enshrined in the eight core ILO conventions. We implement relevant procedures in relation to our own employees and, as an integral part of our culture, expect our leaders to role model diversity, equity, and inclusion across all touch points. We expect our business partners to apply the same approach and we will take action against cases of violation known to us.
 - b. **Wages:** We provide our employees with fair and competitive compensation and benefits. Our wages meet or exceed the minimum wage or the prevailing market rate, whichever is higher, and thus ensure an adequate standard of living for our employees and their families. We respect all applicable laws and agreements on working time and paid leave. We also respect the right to rest and leisure, including vacation with pay and the right to family life. We expect our business partners to apply the same approach and we will take action against cases of violation known to us. As a buyer, we take steps to ensure that we do not infringe on the rights of workers, their employers, and governments to set fair compensation, and seek to facilitate ways and actions that influence wage progression and fair compensation.
 - c. **Discrimination & harassment:** We believe all people have the right to work in a safe, fair, and respectful environment that promotes equal opportunities and prohibits harassment and discrimination. Only by maintaining a positive, inclusive workplace can we all benefit from the full potential of our fellow employees' capabilities, creativity, and talent. Our [Fair Play Code of Conduct](#) and, in more detail, our [Anti-Harassment and Anti-Discrimination Policy](#) provide a global framework detailing how adidas prevents, detects, and responds to all forms of discrimination and harassment. Our Fair Play Code of Conduct and the policy prohibit all forms of discrimination predicated on any of the following actual or perceived characteristics: race, color, ethnic or national origin, age, religion, sex, sexual orientation, pregnancy or related medical conditions, gender identity, status, or expression, nationality, immigration status, citizenship, or ancestry, physical or mental ability condition or characteristics, or any other basis prohibited under local law. Harassment of any kind is forbidden. Both the Fair Play Code of Conduct and our Anti-Harassment and Anti-Discrimination Policy apply to all employees worldwide, and at all adidas workplaces, including job-related events outside the office. We expect our business partners to apply the same approach and we will take action against cases of violation known to us.

- d. **Freedom of association and collective bargaining:** We are committed to an open and constructive dialogue with all people employed by adidas and, where applicable, with their representatives. Our employees are free to join organizations of their choice that represent them consistent with local organizing laws. These organizations may, if recognized as the appropriate agent, engage in collective bargaining according to applicable law. Employees who act as representatives are neither disadvantaged nor favored in any way. In locations where employees have decided not to appoint representatives, we promote direct and open communication between employees and management. We expect our business partners to apply the same approach and we will take action against cases of violation known to us.
- e. **Child labor:** We are committed to supporting children's rights and accounting for the best interests of the child with respect to our business activities. There is no place for child labor in our business and we strictly prohibit this in our own operations, and in those of our business partners.
- f. **Forced labor and human trafficking:** There is no place for forced labor or human trafficking in our business and we strictly prohibit this in our own operations, and in those of our business partners.
- g. **Occupational health & safety:** We ensure uniformly high health protection, safety, and environmental protection at our sites through the implementation of appropriate measures and management systems. Regulations are consistently applied worldwide to minimize the occurrence of accidents and incidents. We have well established policies, procedures, and guidelines that describe our expectations of our business partners for safe and healthy working conditions, and we will take action against cases of violation known to us.
- h. **Environment:** We are cognizant of today's global environmental challenges and their impacts on people and communities. Sustainability is an integral component of our company strategy, and we apply measures in our own operations, and through our business partners, to address these issues, including those around climate change, water, the use of hazardous chemicals, and waste.
- i. **Privacy:** We are committed to comply with all relevant privacy laws and regulations. Our [Global Privacy Management Policy](#) defines the framework to meet this commitment.
- j. **Corruption:** We prohibit all forms of bribery or corruption by our business, employees, or business partners acting on our behalf. Our [Fair Play Code of Conduct](#) and additional internal policies detail how we prevent, detect, and respond to any suspected bribery or corruption. We expect our business partners to adhere to similarly strict prohibitions against bribery and corruption.
- k. **Sports sponsorship:** We are committed to undertake human rights due diligence before entering into sponsorship arrangements that are linked to sports bodies and major sports events. We will partner with sports bodies, host governments, civil society groups, and other relevant

stakeholders to tackle adverse human rights impacts potentially associated with such sponsorships.

Our Human Rights Approach

9. Our commitment to human rights is supported through an ongoing due diligence process to identify, address, evaluate, and communicate the risks of involvement with adverse human rights impacts. We are committed to providing for, or cooperating in, the prevention, mitigation, and remediation of adverse human rights which we have caused or contributed to, and we will seek to promote or cooperate in the mitigation and remediation of adverse impacts where we are linked to these through our business relationships.
10. Our due diligence efforts are supported by:
 - a. **Responsible purchasing practices:** Our [Responsible Sourcing & Purchasing Policy](#) describes our commitment to working with our business partners across our global and multi-layered supply chain to ensure that sourcing and purchasing decisions, and other supporting processes, do not impede or conflict with the fulfillment of the adidas [Workplace Standards](#) and our respect for human rights. Where required, we define and implement action plans to address salient human rights and environmental risks and track the effectiveness of the measures taken.
 - b. **Protecting rights-holders:** We respect those who advocate for compliance with human rights associated with our activities and are committed to contributing to providing remedy where individuals are adversely affected by our business activities. Moreover, we will respect and will not interfere with the work of human rights defenders who voice concerns about adverse human rights impacts relating to our business activities. Where the freedoms of human rights defenders directly linked to adidas business activities are at risk, we seek to take measures for their protection, including by using our leverage with the relevant authorities.
 - c. **Grievance mechanisms:** To ensure access to remedy, we have established a [Third-Party Complaint Mechanism](#) to report human rights and environmental harms related to our own activities and those of our business partners. We also operate a state-of-the-art fair play compliance complaint mechanism providing all our employees and our business partners the means to report potential breaches of adidas' [Fair Play Code of Conduct](#) and other adidas policies. We have appointed a Chief Compliance Officer, a Data Protection Officer as well as a Head of Employee Relations to handle, with their respective teams, all compliance and data privacy complaints from our own employees and third parties. We have a strict non-retaliation policy in our Fair Play Code of Conduct which protects whistleblowers from any form of retaliation, and will not obstruct access to other grievance channels, including state-based judicial or non-judicial mechanisms.
 - d. **Stakeholder engagement and communication:** We actively engage with relevant stakeholders, recognizing their role in informing our due diligence processes and the development of effective remedies. We communicate regularly and transparently about our efforts to ensure respect for human rights, including by reporting our human rights-related efforts in line with applicable

non-financial reporting standards, and participate in specialist forums to share lessons learnt and develop best practices for our industry.

Policy Implementation

11. Responsibility for implementing adidas' commitments, as outlined in this policy, is assumed at both a strategic and an operational level. The adidas Executive Board, overseen by the Supervisory Board, is responsible for the overall strategic direction of the business, and ultimately decides on adidas' approach to and processes for respecting human rights, including the allocation of resources to support the implementation of this policy.
12. Operationally, the adidas Executive Board has assigned responsibility for the implementation of our Human Rights Policy to the General Counsel, who acts as the nominated Chief Human Rights Officer, supported in particular by our Legal & Compliance function, the specialist work of the Social & Environmental Affairs department, as well as the Human Resources function.
13. Every adidas leader and employee is obliged to follow the company's policies as well as comply with the applicable laws and regulations, including those that seek to protect against violation of human rights. Our commitment to upholding human rights is in effect in all adidas locations and applies to the company's business operations worldwide.

adidas AG

Signed by

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