



adidas

ANNUAL FINANCIAL STATEMENTS
OF ADIDAS AG

AS AT DECEMBER 31

2022

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COMBINED MANAGEMENT REPORT

The Management Report of adidas AG has been combined with the Management Report of the adidas Group in accordance with § 315 section 5 together with § 298 section 2 of the German Commercial Code (Handelsgesetzbuch – HGB) and is published in the 2022 Annual Report of the adidas Group.

The Financial Statements and the combined Management Report for adidas AG and the adidas Group for the 2022 financial year are filed with and published in the Federal Gazette.

The Financial Statements of adidas AG as well as the Annual Report for the 2022 financial year are also available for download on the Internet at <http://www.adidas-group.com/en/investors/financial-reports>.

ANNUAL FINANCIAL STATEMENTS OF ADIDAS AG

BALANCE SHEET

€ THOUSAND

		Dec. 31, 2022	Dec. 31, 2021
ASSETS			
FIXED ASSETS	(1)		
Intangible assets	(2)	329,235	235,938
Tangible assets	(2)	684,278	691,403
Financial assets	(3)	4,407,451	4,800,936
		5,420,964	5,728,277
CURRENT ASSETS			
Inventories	(4)	51,814	38,048
Receivables and other assets	(5)	4,719,642	2,155,288
Securities	(6)	0	1,424,475
Cash and cash equivalents	(7)	194,671	1,599,503
		4,966,127	5,217,314
PREPAID EXPENSES	(8)	88,217	115,733
		10,475,308	11,061,324
EQUITY AND LIABILITIES			
EQUITY			
Subscribed capital ¹⁾	(9)	180,000	192,100
Par value treasury shares	(9)	-1,463	-505
Capital reserves	(9)	1,360,819	1,346,694
Revenue reserves	(9)	504,041	928,916
Retained earnings	(10)	723,270	1,334,169
		2,766,667	3,801,374
UNTAXED RESERVE	(11)	2,046	2,181
PROVISIONS/ACCRUALS	(12)	833,188	796,848
LIABILITIES	(13)	6,861,515	6,445,485
DEFERRED INCOME	(14)	11,892	15,436
		10,475,308	11,061,324

1) Contingent Capital 2022 at Dec. 31, 2022 in the amount of € 12,500 thousand (previous year € 12,500 thousand)

ANNUAL FINANCIAL STATEMENTS OF ADIDAS AG

INCOME STATEMENT

€ THOUSAND

		2022	2021
Sales	(16)	4,813,807	4,474,901
Change in inventory		1,773	58
Total output		4,815,580	4,474,959
Other operating income	(17)	1,226,544	649,230
Cost of materials	(18)	-1,878,382	-1,744,168
Personnel expenses	(19)	-726,321	-768,375
Amortization and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets	(20)	-139,606	-117,404
Other operating expenses	(21)	-3,414,371	-2,461,873
Income from operations		-116,556	32,369
Income from investments in related companies	(22)	2,491,398	1,065,579
Profit received under a profit and loss transfer agreement	(23)	130,795	861,122
Impairments to financial assets		-328,426	0
Interest result	(24)	-57,194	-10,910
Taxes on income	(25)	-62,911	-97,759
Income after taxes		2,057,106	1,850,401
Other taxes		-477	-632
NET INCOME		2,056,629	1,849,769
Retained earnings brought forward		724,433	580,467
Transfer to revenue reserves		-500,000	-924,880
Transfer to capital reserves		-12,100	-8,316
Utilization for share buyback/issuance of own shares		-1,545,692	-162,871
RETAINED EARNINGS		723,270	1,334,169

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF ADIDAS AG FOR THE YEAR ENDED DECEMBER 31, 2022

adidas AG is domiciled in 91074 Herzogenaurach, Adi-Dassler-Str. 1, and is registered in the commercial register of the Local Court of Fürth, under HRB 3868.

In the interest of providing a clearer overall picture, certain items in the balance sheet and income statement have been combined as permitted pursuant to § 265 (7) German Commercial Code (Handelsgesetzbuch – HGB) and have been disclosed and explained separately under the numerical text reference indicated below. The names and domiciles of other companies of which adidas AG holds, either directly or indirectly, investments according to § 271 (1) HGB and the disclosures related to these companies can be found in the shareholdings list in Appendix 2 to these notes.

Due to rounding principles, numbers presented may not sum up exactly to totals provided.

The financial statements have been prepared in accordance with the regulations of the German Commercial Code (Handelsgesetzbuch – HGB) and the German Stock Corporation Act (Aktiengesetz – AktG) in €. The income statement has been prepared in accordance with the total cost accounting method.

The combined management report pursuant to § 315 (5) HGB in conjunction with § 298 (2) HGB is published in the 2022 Annual Report.

ACCOUNTING POLICIES

Intangible and tangible fixed assets are recognized at (acquisition or production) cost. All recognizable direct and overhead costs are included in production costs. Also Internally generated intangible assets are capitalized. These result in a restriction on the distribution of reserves in the amount of € 24,770 thousand in accordance with §268 (8) HGB. Items with a finite useful economic life are subject to straight-line depreciation over their expected useful lives. Capitalization of borrowing costs does not take place.

The estimated useful life is 50 years maximum for business premises and 2 to 23 years for technical equipment and machinery, other equipment, operating and office equipment and for software 3 to 7 years.

Low-value assets worth less than € 800 are written down to a zero net book value in the year of their acquisition.

Impairments are recognized, if the decrease in value is deemed to be permanent.

Financial assets are recognized at acquisition cost. An impairment is recognized, if the fair value is below the book value. The fair value is calculated using the discounted cash flow method based on the principles of IDW S 1. The enterprise value is derived from the present values of future cash flows discounted with an appropriate discount rate. Financial receivables towards the respective group companies are implicitly tested for impairment in the valuation model. If a financial asset needs to be impaired, the shares in affiliated companies are impaired before the financial receivables towards the respective group entity. If the reasons for the impairment cease to apply, the impairment is reversed, but only up to the value of the historical acquisition cost.

Inventories are measured at the lower of cost (acquisition or production cost) or market value. Production costs comprise direct costs that must be capitalized and appropriate portions of overhead costs. Allowances are taken for discernible fashion and technical risks, age structure, and marketability. Capitalization of borrowing costs does not take place. If the reasons for the write-down no longer apply, the write-down is reversed in accordance with § 253 (5) sentence 1 HGB to no higher than the historical cost of the inventories.

Receivables and other assets are generally recognized at nominal values. Individual adjustments and general allowances for doubtful accounts are taken to cover discernible risks.

Derivative financial transactions entered into with banks by Group Treasury (primarily forward currency and currency option transactions as well as equity instruments) are generally related to underlying transactions with Group companies. Hedge accounting is applied if there is a direct hedging relationship between these transactions. The net hedge presentation method is applied. The fair values of the hedges and hedged risk within a hedge portfolio are matched and offsetting changes in value from the hedge and the hedged risk are not recognized. Unrealized losses are recognized in profit or loss only if they are not covered by unrealized gains in the hedge accounting. Financial transactions that are not recognized using hedge accounting are measured individually at fair value. Any resulting losses are recognized in the profit or loss. Prospectively, due to the common material assessment features of the transactions, the hedging relationship can be assumed to be highly effective. Retrospectively, the effectiveness is proven by means of the hypothetical derivative method. The dollar-offset method is used for calculation of the amount of ineffectiveness.

Securities within current assets are measured at acquisition cost or fair value if lower as at the reporting date.

Cash-in-hand and bank balances are recognized at nominal value.

Prepaid expenses are recognized at nominal value.

Deferred taxes are recognized for temporary differences between the carrying amounts and tax bases for assets, liabilities, prepaid expenses and deferred income. Deferred taxes are calculated based on the combined income tax rate of adidas AG, which is currently 27.37%. The combined income tax rate comprises corporate income tax, solidarity surcharge and municipal trade tax.

A net tax burden would be recognized on the balance sheet as a deferred tax liability. There is an option to recognize a deferred tax asset granted under § 274 (1) sentence 2 HGB in the event of a tax benefit but this option is not exercised. In the fiscal year, the Company had a net deferred tax asset, which it did not recognize on its balance sheet.

Subscribed capital is recognized at the nominal amount.

The Company exercised its option to maintain the special tax-allowable reserve as permitted upon the first-time adoption of the German Accounting Law Modernization Act (Bilanzrechtsmodernisierungsgesetz, "BilMoG"). Accounting policies relating to this reserve and its reversal remain the same as previously.

Pension obligations are calculated on the basis of actuarial biometric assumptions (Heubeck mortality tables RT 2018 G) in accordance with the projected unit credit (PUC) method. The defined benefit obligation (DBO) recognized under the PUC method is defined as the actuarial present value of the pension obligations earned by the employees by the balance sheet date according to the retirement benefit formula and the vested pension amount based on their service in the past. Expected future pension benefit increases are factored in using a 1.0% to 2.2% p.a. (prior year 1.0% to 1.8%) growth rate in benefits. Fluctuation is assumed – as in the prior year – to range between 5% and 20%, depending on age. The rate used to discount the pension obligations in accordance with § 253 (2) sentence 2 HGB amounts to 1.79% as at December 31, 2022 (prior year: 1.87%); this rate is the average market interest rate for the past ten fiscal years for an assumed term of 15 years. In accordance with § 253 (6) sentence 2 HGB, the difference between the application of the average market interest rate for the past seven fiscal years 1.45% (prior year: 1.35%) and the application of the average market interest rate for the past ten fiscal years 1.79% (prior year: 1.87%) is subject to a restriction on distribution. The plan assets created in 2014 through the funding of the pension trust association were measured at fair value, in accordance with § 255 (4) HGB using amongst others an official recognized method for real estate valuation, and offset against the pension obligations.

The other provisions cover all discernible risks and uncertain obligations and are recognized at the settlement amount dictated by prudent business judgment in order to cover future payment obligations. Future price and cost increases are factored in, to the extent that there is sufficient objective evidence that they will occur. Provisions with terms in excess of one year are discounted in accordance with § 253 (2) sentence 1 HGB at the average market interest rate for their respective maturity over the past seven years, as published by the German Federal Bank (Deutsche Bundesbank). Provisions with terms of less than one year are not discounted. The effect from the annual adjustment of the discount rate applied to the provisions in accordance with § 253 (2) HGB is recognized immediately in the income statement.

Net income from the discounting of retirement pension obligations is shown in the income statement as part of the financial result under the item "other interest and similar income" and net expenses under the item "interest and similar expenses".

The provision for early retirement is recognized at the settlement amount.

Liabilities are recognized at their settlement amount.

Revenues are recognized once the risk of loss or damage of the goods has been transferred to the purchaser.

Licensing revenues are recognized in accordance with the underlying contractual agreements. Rights and revenues generally arise whenever the licensee generates sales revenue with adidas products.

Assets and liabilities denominated in a foreign currency are recorded at the mean spot rate as at the respective transaction date. Currency translation losses arising as at the balance sheet date due to the measurement of foreign-denominated assets and liabilities are reported in the income statement. Currency translation gains from the measurement of current assets and liabilities falling due within less than one year are recorded in the income statement in accordance with § 256a HGB. Currency translation gains are reported under "other operating income" and currency translation losses are reported under "other operating expenses".

Income from long-term equity investments is generally recognized during the period in which a claim to such income arises and it can be reasonably expected that the amounts due will be collected.

Profits resulting from a profit transfer agreement are recognized if the amounts to be transferred or absorbed can be determined with reasonable certainty, even if the annual financial statements of the subsidiary have not yet been adopted.

01 FIXED ASSETS

DEVELOPMENT OF FIXED ASSETS IN THE 2022 FISCAL YEAR

Amounts in € thousand		Acquisition and production costs			
		Jan. 1, 2022	Additions	Disposals	Dec. 31, 2022
I.	Intangible assets				
1.	Internally generated intangible assets	1,644	16,073	0	18,564
2.	Internally generated software under construction	848	7,434	0	7,435
3.	Purchased concessions, trademarks and similar rights and licences to such rights	869,442	95,159	-1,502	977,672
4.	Prepayments and assets under construction	36,001	59,004	0	80,432
		907,935	177,670	-1,502	1,084,103
II.	Tangible assets				
1.	Land, land rights and buildings	798,561	15,480	0	825,328
2.	Technical equipment and machinery	76,508	5,905	-80	83,797
3.	Other equipment, operating and office equipment	280,554	17,690	-1,904	300,306
4.	Prepayments and assets under construction	21,777	9,058	-25	14,093
		1,177,400	48,133	-2,009	1,223,524
III.	Financial assets				
1.	Shares in affiliated companies	4,525,048	0	0	4,525,048
2.	Loans to affiliated companies	150,455	78,160	-135,455	93,160
3.	Equity investments	78,841	0	0	78,841
4.	Loans to non-affiliated companies	200	0	0	200
5.	Investment security	90,722	70,480	-78,244	82,958
		4,845,266	148,640	-213,699	4,780,207
	Fixed Assets	6,930,601	374,443	-217,210	7,087,834

Accumulated depreciation				Net book values	
Jan. 1, 2022	Additions	Disposals	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2021
83	1,146	0	1,229	17,335	1,561
0	0	0	0	7,435	848
671,914	83,227	-1,502	753,639	224,033	197,528
0	0	0	0	80,432	36,001
671,997	84,373	-1,502	754,868	329,235	235,938
219,586	25,224	0	244,810	580,518	578,975
42,963	13,103	-80	55,986	27,811	33,545
223,448	16,906	-1,904	238,450	61,856	57,106
0	0	0	0	14,093	21,777
485,997	55,233	-1,984	539,246	684,278	691,403
44,330	328,426	0	372,756	4,152,292	4,480,718
0	0	0	0	93,160	150,455
0	0	0	0	78,841	78,841
0	0	0	0	200	200
0	0	0	0	82,958	90,722
44,330	328,426	0	372,756	4,407,451	4,800,936
1,202,324	468,032	-3,486	1,666,870	5,420,964	5,728,277

02 INTANGIBLE FIXED ASSETS AND TANGIBLE FIXED ASSETS

The significant additions primarily relate to software in an amount of € 95,159 thousand and advance payments and assets under construction in an amount of € 59,004 thousand for intangible assets. In 2022 internally generated software in an amount of € 16,073 thousand had been capitalized as well as an amount of € 7,434 thousand for internally generated software under construction. The IT development costs amount to € 55,855 thousand and thereof € 23,507 thousand had been capitalized for internally generated software – internal research costs did not occur.

03 LONG-TERM FINANCIAL ASSETS

The decrease in long-term financial assets primarily relates to the depreciation concerning investments in affiliated companies for Russia and the Ukraine in the amount of € 328,426 thousand. At the closing date accumulated depreciation of € 372,756 thousand exists. The recoverability of investments in affiliated companies is checked using an impairment test. Included in the financial assets is an investment of 8.33% in FC Bayern München AG (previous year 8.33%).

04 INVENTORIES

INVENTORIES € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Raw materials, consumables and supplies	7,060	4,626
Work in progress	161	161
Finished goods and merchandise	44,593	33,261
Inventories	51,814	38,048

Inventories relate to raw materials, consumables and supplies for production purposes, work in progress in the production process and merchandise mostly in connection with central distribution as well as the company's own retail business. The increase compared to prior year level was mainly driven by higher product and freight costs and a different order pattern as a result of longer lead times within the supply chain concerning the central distribution.

05 RECEIVABLES AND OTHER ASSETS

RECEIVABLES AND OTHER ASSETS € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Trade accounts receivable	116,853	88,613
of which with a residual maturity of more than one year	0	0
Receivables from affiliated companies	4,442,063	1,915,527
of which with a residual maturity of more than one year	0	0
Other assets	160,726	151,148
of which with a residual maturity of more than one year	0	35,835
Receivables and other assets	4,719,642	2,155,288

The increase in receivables from affiliated companies primarily relates to royalty receivables and receivables in connection with Group Treasury activities. Group Treasury uses a netting process to balance out any liquidity surpluses or deficits in subsidiaries through adidas AG and settle payments between subsidiaries. The recoverability of these receivables is checked as part of the impairment test concerning the shares in affiliated companies. At the balance sheet date there are accumulated impairments of € 31,833 thousand concerning receivables from affiliated companies. Receivables from affiliated companies include € 442,829 thousand in trade receivables.

Other assets essentially include a contribution in cash for a short-time share-based swap and capitalized option premiums.

06 SECURITIES

SECURITIES € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Money market funds	0	1,224,475
Commercial Papers	0	200,000
Securities	0	1,424,475

Securities comprised short-term financial investments.

07 CASH-IN-HAND, CENTRAL BANK BALANCES, BANK BALANCES AND CHEQUES

CASH-IN-HAND, CENTRAL BANK BALANCES, BANK BALANCES AND CHECKS € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Cash-in-hand and bank balances	194,671	1,599,503

08 PREPAID EXPENSES

PREPAID EXPENSES € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Advertising and promotion agreements	5,082	48,878
Other	83,135	66,855
Prepaid expenses	88,217	115,733

Other prepaid expenses comprise mainly advance payments for marketing, maintenance and licensing expenses.

09 SHAREHOLDERS' EQUITY

The table below provides an overview of the changes in equity:

CHANGES IN EQUITY € THOUSAND

	Jan. 1, 2022	Repurchase of adidas AG shares	Issuance of treasury shares / Conversion / Employee shares	Allocation to reserves	Cancellation of shares	Dividend	Net profit for the year	Dec. 31, 2022
Subscribed capital	192,100	0	0	0	-12,100	0	0	180,000
Par value of treasury shares	-505	-13,135	77	0	12,100	0	0	-1,463
Capital reserves	1,346,694	0	2,025	0	12,100	0	0	1,360,819
Revenue reserves*)	928,916	-921,885	-2,990	500,000	0	0	0	504,041
Retained earnings	1,334,169	-1,564,980	19,288	-500,000	-12,100	-609,736	2,056,629	723,270
Equity	3,801,374	-2,500,000	18,400	0	0	-609,736	2,056,629	2,766,667

*) Includes legal reserves of € 4,036 thousand

As at December 31, 2022 there are 178,537,198 shares entitled to a dividend.

SHAREHOLDERS' EQUITY

As at December 31, 2021, the nominal capital of adidas AG amounted to € 192,100,000 divided into 192,100,000 registered no-par-value shares and was fully paid in.

With legal effect as of November 28, 2022, the nominal capital was reduced from € 192,100,000 to € 180,000,000 by cancellation of 12,100,000 treasury shares. The change in the nominal capital due to the cancellation of shares and the capital reduction was registered for declaratory entry in the commercial register. The entry was made on February 16, 2023.

There were no other changes to the nominal capital. Thus, as at the balance sheet date, the nominal capital of adidas AG amounted to € 180,000,000 divided into 180,000,000 registered no-par-value shares and is fully paid in.

Each share grants one vote and is entitled to dividends starting from the commencement of the year in which it was issued. Treasury shares held directly or indirectly are not entitled to dividend payment in accordance with § 71b German Stock Corporation Act (Aktiengesetz – AktG). As at the balance sheet date, adidas AG held 1,462,802 treasury shares, corresponding to a notional amount of € 1,462,802 in the nominal capital and consequently to 0.81% of the nominal capital.

AUTHORIZED CAPITAL 2021/I AND 2021/II

The Executive Board of adidas AG did not utilize the existing amount of authorized capital of up to € 70 million in the 2022 financial year.

The authorized capital of adidas AG, which is set out in § 4 sections 2 and 3 of the Articles of Association as at the balance sheet date, entitles the Executive Board, subject to Supervisory Board approval, to increase the nominal capital based on the following authorizations:

Based on the authorization granted by resolution of the Annual General Meeting of May 12, 2021, until August 6, 2026,

- by issuing new shares against contributions in cash once or several times by no more than € 50,000,000 altogether and, subject to Supervisory Board approval, to exclude residual amounts from shareholders' subscription rights (Authorized Capital 2021/I);

Based on the authorization granted by resolution of the Annual General Meeting of May 12, 2021, until August 6, 2026,

- by issuing new shares against contributions in kind and/or cash once or several times by no more than € 20,000,000 altogether (Authorized Capital 2021/II), and, subject to Supervisory Board approval, to exclude residual amounts from shareholders' subscription rights, to wholly or partly exclude shareholders' subscription rights when issuing shares against contributions in kind and to exclude shareholders' subscription rights when issuing shares against contributions in cash if the new shares against contributions in cash are issued at a price not significantly below the stock market price of the company's shares already quoted on the stock exchange at the point in time when the issue price is ultimately determined, which should be as close as possible to the placement of the shares; this exclusion of subscription rights can also be associated with the listing of the company's shares on a foreign stock exchange.

The authorization to exclude subscription rights under this authorization, however, may only be used to the extent that the pro-rata amount of the new shares in the nominal capital together with the pro-rata amount in the nominal capital of other shares that have been issued by the company since May 12, 2021, subject to the exclusion of subscription rights, on the basis of an authorized capital or following a repurchase or for which subscription or conversion rights or subscription or conversion obligations have been granted through the issuance of convertible bonds and/or bonds with warrants while excluding subscription rights, does not exceed 10% of the nominal capital existing on the date of the entry of this authorization with the commercial register or – if this amount is lower – on the respective date on which the resolution on the utilization of the authorization is adopted. The previous sentence does not apply to the exclusion of subscription rights for residual amounts. The Authorized Capital 2021/II must not be used to issue shares within the scope of compensation or participation programs for Executive Board members or employees or for members of the management bodies or employees of affiliated companies.

CONTINGENT CAPITAL 2022

The following overview of the Contingent Capital is based on § 4 section 4 of the Articles of Association of adidas AG as well as on the underlying resolution of the Annual General Meeting held on May 12, 2022.

The nominal capital is conditionally increased by up to € 12.5 million divided into not more than 12,500,000 no-par-value shares (Contingent Capital 2022). The contingent capital increase serves the issuance of no-par-value shares when exercising option or conversion rights or fulfilling the respective option and/or conversion obligations or when exercising the company's right to choose to partially or in total deliver registered no-par-value shares of the company instead of paying the due amount to the holders or creditors of bonds issued by the company or a subordinated group company up to May 11, 2027, on the basis of the authorization resolution adopted by the Annual General Meeting on May 12, 2022. The new shares will be issued at the respective option or conversion price to be established in accordance with the aforementioned authorization resolution. The contingent capital increase will be implemented only if bonds are issued in accordance with the authorization resolution adopted by the Annual General Meeting on May 12, 2022, (Agenda Item 7) and only to the extent that option or conversion rights are exercised or the holders or creditors of bonds obligated to exercise the option or conversion obligation fulfill their obligations to exercise the warrant or convert the bond, or to the extent that the company exercises its rights to choose to deliver no-par-value shares in the company for the total amount or a partial amount instead of payment of the amount due and insofar as no cash settlement, treasury shares or shares of

another public-listed company are used to service these rights. The new shares carry dividend rights from the commencement of the financial year in which the shares are issued. In the event that, at the time of issuance of the new shares, no resolution on the appropriation of retained earnings for the financial year directly preceding the year in which the shares are issued has been passed, the Executive Board is authorized, to the extent legally permissible, to determine that the new shares will carry dividend rights from the commencement of the financial year directly preceding the year in which the shares are issued. Furthermore, the Executive Board is authorized to stipulate additional details concerning the implementation of the contingent capital increase.

The Executive Board is authorized, subject to Supervisory Board approval, to exclude shareholders' subscription rights to the bonds insofar as this is necessary for residual amounts and also insofar as and to the extent that this is necessary for granting subscription rights to holders or creditors of bonds already issued before, which they would be entitled to as shareholders upon exercising their option or conversion rights or upon fulfilling their option and/or conversion obligations or upon exercising a right to delivery of shares referring to shares of the company. Finally, the Executive Board is authorized, subject to Supervisory Board approval, to also exclude shareholders' subscription rights insofar as the bonds are issued against contributions in cash and after the Executive Board has concluded, following an examination in accordance with its legal duties, that the issue price of the bonds is not significantly below the hypothetical market value computed using recognized, in particular, financial calculation methods and the number of shares issued does not exceed 10% of the nominal capital, neither at the point of becoming effective nor – in case this amount is lower – at the point of exercising the aforementioned authorization. Shares which are issued or sold in accordance with § 186 section 3 sentence 4 AktG during the term of this authorization until its utilization shall be attributed to the aforementioned limit of 10%. Furthermore, shares that are to be issued or granted during the term of this authorization on the basis of a bond issued with the exclusion of subscription rights in accordance with this provision utilizing another authorization shall be attributed to the aforementioned limit of 10%. The total number of shares that are issued under bonds based on this authorization with the exclusion of subscription rights and shares that are issued from an authorized capital with the exclusion of subscription rights during the term of the authorization may not exceed 10% of the nominal capital on the date of the entry of this authorization with the Commercial Register.

In the period up until the balance sheet date, the Executive Board of adidas AG did not issue any bonds based on the authorization granted on May 12, 2022, and consequently did not issue any shares from the Contingent Capital 2022.

REPURCHASE AND USE OF TREASURY SHARES

The Annual General Meeting on May 12, 2021, granted the Executive Board an authorization to repurchase adidas AG shares up to an amount totaling 10% of the nominal capital until May 11, 2026. The authorization may be used by adidas AG but also by its subordinated Group companies or by third parties on account of adidas AG or its subordinated Group companies or third parties assigned by adidas AG or one of its subordinated Group companies.

Based on the above-mentioned authorization, the Executive Board of adidas AG commenced share buyback programs on January 10, 2022, and March 14, 2022, respectively. adidas AG repurchased 4,156,558 shares between January 10, 2022, and February 22, 2022, including, in the first tranche of a multi-year share buyback program ('Share Buyback Program 2022–2025/I') and 8,978,138 shares between March 14, 2022 and October 10, 2022, including ('Additional Share Buyback Program 2022'). In the year under review, adidas AG repurchased a total of 13,134,696 adidas AG shares for a total price of € 2,499,999,677.77 (excluding incidental purchasing costs) and at an average price of € 190.34 per share. This corresponded to an amount of € 13,134,696 in the nominal capital and consequently to an approximate notional amount of 7.30% of the nominal capital. Further information on the adidas AG shares

repurchased in the 2022 financial year can be taken from the table 'Repurchase of adidas AG shares in the 2022 financial year.'

REPURCHASE OF ADIDAS AG SHARES IN THE 2022 FINANCIAL YEAR

Month	Number of shares	Total price in € (excluding incidental purchasing costs)	Average purchase price per share in €	Amount in the nominal capital in €	Amount in the nominal capital in %
January	2,205,504	542,638,920.85	246.04	2,205,504	1.23
February	1,951,054	457,360,944.65	234.42	1,951,054	1.08
March	1,174,111	247,959,569.74	211.19	1,174,111	0.65
April	1,545,759	315,334,832.60	204.00	1,545,759	0.86
May	667,619	118,151,634.37	176.97	667,619	0.37
June	1,573,502	271,623,667.15	172.62	1,573,502	0.87
July	626,573	103,634,201.78	165.40	626,573	0.35
August	–	–	–	–	–
September	2,655,335	355,239,483.56	133.78	2,655,335	1.48
October	735,239	88,056,423.07	119.77	735,239	0.41
November	–	–	–	–	–
December	–	–	–	–	–
2022 financial year total	13,134,696	2,499,999,677.77	190.34	13,134,696	7.30

The company may use the repurchased shares for all purposes admissible under the authorization granted on May 12, 2021. adidas AG, however, plans to cancel the majority of the repurchased shares. Consequently, in the 2022 financial year, 12,100,000 treasury shares were canceled as part of a simplified capital reduction pursuant to § 237 section 3 no. 2 AktG.

In the 2022 financial year, a total of 41,763 treasury shares were used as consideration for, inter alia, the transfer or licensing of industrial property rights and intangible property rights due to contractual obligations. Using treasury shares while excluding subscription rights enabled adidas AG to acquire industrial property rights and intangible property rights (or licenses) from the respective owners at attractive conditions while preserving the company's liquidity. Based on the share price at the time, the 41,763 treasury shares transferred had a value of altogether approx. € 11 million, corresponding to a notional amount of € 41,763 in the nominal capital and consequently to approx. 0.02% of the nominal capital.

Moreover, adidas AG used 35,276 treasury shares in the context of the employee stock purchase plan while excluding subscription rights. Based on the share price at the time, the 35,276 treasury shares transferred had a value of altogether € 7,943,033, corresponding to a notional amount of € 35,276 in the nominal capital and consequently to approx. 0.02% of the nominal capital.

Therefore, taking into account the 505,145 shares held by adidas AG as at December 31, 2021, the shares purchased within the share buyback programs and the shares used and canceled during the financial year, this results in 1,462,802 treasury shares held as at the balance sheet date.

CHANGES IN THE PERCENTAGE OF VOTING RIGHTS

Pursuant to § 160 section 1 no. 8 AktG, information must be provided on the existence of shareholdings that have been notified to adidas AG in accordance with § 33 section 1 or section 2 German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

The table 'Notified reportable shareholdings' reflects reportable shareholdings in adidas AG as at the balance sheet date that have each been notified to adidas AG. In each case, the details relate to the most recent voting rights notification received by adidas AG from the parties obligated to notify. All voting rights notifications disclosed by adidas AG in the year under review are available on the corporate website.

NOTIFIED REPORTABLE SHAREHOLDINGS

Notifying party	Date of reaching, exceeding or falling below	Reporting threshold	Notification obligations and attributions in accordance with WpHG	Voting rights attached to shares (in %)	Instruments (in %)	Total of voting rights attached to shares and instruments (in %)
BlackRock, Inc., Wilmington, DE, USA ¹	December 29, 2022	5%	§§ 34, 38 par. 1 no. 1, 38 par. 1 no. 2	5.25	0.78	6.03
The Goldman Sachs Group, Inc., Wilmington, DE, USA ¹	December 16, 2022	5%	§§ 34, 38 par. 1 no. 1, 38 par. 1 no. 2	0.12	5.87	5.99
The Capital Group Companies, Inc., Los Angeles, USA	December 14, 2022	3%	§ 34	3.03	–	3.03
Elion Corporate Trustee (Cayman) Limited, Camana Bay, Grand Cayman, Cayman Islands ¹	September 16, 2022	5%	§§ 34, 38 par. 1 no. 2	3.12	3.33	6.46
Ségolène Gallienne ¹	April 20, 2021	5%	§ 34	6.84	–	6.84
Gérald Frère ¹	April 20, 2021	5%	§ 34	6.84	–	6.84
The Desmarais Family Residuary Trust, Montreal, Canada ¹	November 30, 2020	5%	§ 34	6.89	–	6.89

¹ Voluntary group notification due to threshold crossing on the subsidiary level.

The details on the percentage of shareholdings and voting rights may no longer be up to date.

CAPITAL RESERVE

The capital reserve primarily comprises the paid premium for the issuance of share capital as well as the equity component of the issued convertible bond.

REVENUE RESERVES

The revenue reserves comprise both amounts which are required by law and by the Articles of Association and voluntary amounts that have been set aside by the company. The reserves include the accumulated profits less dividends paid and consideration paid for the repurchase of adidas AG shares exceeding the nominal amount. In addition, the item includes the effects of the employee stock purchase plan.

10 RETAINED EARNINGS

RETAINED EARNINGS € THOUSAND

Retained earnings as of December 31, 2021	1,334,169
Distribution of a dividend of € 3.30 per ordinary share in the share capital for the 2020 fiscal year (184,768,598 shares)	-609,736
Retained earnings brought forward	724,433
Net income of adidas AG for the 2022 fiscal year	2,056,629
Transfer to other revenue reserves	-500,000
Transfer to capital reserves	-12,100
Utilization for repurchasing/issuance of own shares	-1,545,692
Retained earnings as of December 31, 2022	723,270

11 SPECIAL RESERVE

The special reserve established in 2003 in accordance with § 273 HGB (old version) and Section 35 Income Tax Regulations (Einkommensteuerrichtlinien, "EStR") for write-downs relating to the construction of the factory outlet was reduced as scheduled during the year under review by € 135 thousand.

12 PROVISIONS/ACCRUALS

PROVISIONS/ACCRUALS € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Provisions for pensions and similar obligations	216,855	150,155
Provisions for taxes	79,821	76,244
Other provisions/accruals	536,512	570,449
Provisions/accruals	833,188	796,848

Within the provisions for pensions and similar obligations, plan assets were offset against obligations in accordance with § 246 (2) sentence 2 HGB. This related to plan assets of the pension trust association "adidas Pension Trust e.V.". The settlement amount of the pension obligations totaled € 548,604 thousand as at December 31, 2022 (prior year: € 505,207 thousand). The plan assets were measured at fair value in accordance with § 255 (4) HGB. As at the balance sheet date, the fair value of the netted assets in the year under review is € 331,749 thousand (prior year: € 355,053 thousand) and historical costs amount to € 290,000 thousand (prior year: € 290,000 thousand).

Interest expenses resulting from the pension valuation were in an amount of € 32,748 thousand.

The pension obligations to six former members of the Executive Board, who resigned after December 31, 2005, are covered by a pension fund or a pension fund in combination with a re-insured pension trust fund. This results in indirect obligations for adidas AG to former Executive Board members in the amount of € 47,528 thousand (prior year: € 43,981 thousand for the related group of people) for which no provisions have been recognized due to their funding through the pension fund and re-insured pension trust fund. As at the balance sheet date, there are shortfalls for the indirect obligations in the amount of € 12,363 thousand. In order to calculate this shortfall the valuation of the liability insurance has been adjusted to the valuation of the pension obligations (first time implementation of IDW RH FAB 1.021).

Pension provisions have been established for the pension entitlements of six active members of the Executive Board, which amount to € 18,230 thousand before offsetting against the afore mentioned plan assets (prior year: € 14,699 thousand). Pension provisions in the amount of € 3,843 thousand (prior year: € 3,739 thousand) have been established for two former members of the Executive Board, whose entitlements were not covered by the adidas Pension Trust e.V.

The provisions for the former members of the Executive Board and their survivors totaled € 88,794 thousand before offsetting against the afore mentioned plan assets as at December 31, 2022 (prior year: € 88,473 thousand). These amounts also include the aforementioned indirect obligations.

The difference between the application of the average market interest rate for the past seven fiscal years and the application of the average market interest rate for the past ten fiscal years amounts to € 31,425 thousand. Pursuant to § 253 (6) sentence 2 HGB, this amount is subject to a restriction on distribution.

The fair value measurement of assets for the settlement of obligations for pensions results in a total amount of € 41,749 thousand (prior year: € 65,053 thousand) subject to restriction on distribution within the meaning of § 268 [8] HGB prior to offsetting with the freely distributable reserves as at December 31, 2022.

The largest item in other provisions/accruals concerns provisions for pending losses on derivative financial instruments in an amount of € 174,190 thousand (prior year: € 84,130 thousand). These are recorded for unrealized losses from derivative futures, hedge accounting as well as for LTIP hedges. In addition, a provision for impending losses from pending transactions in an amount of € 304 thousand (prior year € 1,038 thousand) is included. Additional significant items in other provisions are provisions for personnel of € 140,169 thousand (prior year: € 242,366 thousand). This amount is primarily attributable to provisions for performance-based remuneration components, social plans resulting from restructuring programs and unused vacation. There are also provisions for marketing of € 122,838 thousand (prior year: € 128,498 thousand) and accruals for outstanding invoices of € 71,090 thousand (prior year: € 82,412 thousand).

13 LIABILITIES

LIABILITIES € THOUSAND

	Dec. 31, 2022				Dec. 31, 2021
	Total	Residual term up to 1 year	Residual term 1-5 years	Residual term more than 5 years	Prior year total
Bonds	3,400,000	500,000	1,400,000	1,500,000	2,400,000
(prior year)		(0)	(1,400,000)	(1,000,000)	
of which convertible		500,000	0	0	
Liabilities to banks	81,914	18,750	63,164	0	100,664
(prior year)		(18,750)	(75,000)	(6,914)	
Advances received	250	250	0	0	229
(prior year)		(229)	(0)	(0)	
Trade accounts payable	237,750	237,750	0	0	273,759
(prior year)		(273,759)	(0)	(0)	
Liabilities to affiliated companies	2,897,905	2,857,905	40,000	0	3,510,055
(prior year)		(3,480,055)	(30,000)	(0)	
Other liabilities	243,696	243,696	0	0	160,778
(prior year)		(159,764)	(1,014)	(0)	
of which from taxes		74,847	0	0	50,378
of which relating to social security		0	0	0	0
Dec. 31, 2022	6,861,515	3,858,351	1,503,164	1,500,000	6,445,485
Dec. 31, 2021		(3,932,557)	(1,506,014)	(1,006,914)	

The liabilities are unsecured.

The liabilities to affiliated companies primarily relate to loans from affiliated companies as well as trade payables to affiliated companies in the amount of € 565,112 thousand (prior year: € 70,727 thousand).

Other liabilities include tax and customs liabilities, accrued interest not yet payable, credit balances in accounts receivable, option premiums paid by subsidiaries, and salaries and commissions payable.

In 2014, adidas AG issued a bond with a value of € 400,000 thousand. This Eurobond matures in 2026 and has been listed on the Luxembourg securities exchange in denominations of € 1 thousand.

In 2018, adidas AG issued an equity-neutral convertible bond with a total volume of € 500,000 thousand. The equity-neutral convertible bond matures in 2023 and was originally divided into 2,500 bearer bonds with equal rights, each in the nominal amount of € 200 thousand.

In 2020, adidas AG issued bonds with a total value of € 1,500,000 thousand. The Eurobonds, of € 500,000 thousand each, mature in 2024, 2028 and 2035. All three bonds are listed on the Luxembourg securities exchange in denominations of € 100 thousand each.

In 2022, adidas AG issued bonds with a total value of € 1,000,000 thousand. The Eurobonds, of € 500,000 thousand each, mature in 2025 and 2029. Both bonds are listed on the Luxembourg securities exchange in denominations of € 100 thousand each.

14 DEFERRED INCOME

The change in the deferred income primarily relates to the premium for the issuance of bonds and grants received.

15 CONTINGENT LIABILITIES, OTHER FINANCIAL COMMITMENTS AND DERIVATIVE INSTRUMENTS

CONTINGENT LIABILITIES € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Guarantee obligations	2,187,606	1,672,908
of which for affiliated companies		
- Bank loans	5,084	83,620
- Letters of credit	153,484	119,525
- Guarantee agreements	1,959,237	1,469,763
of which for third party		
- Guarantee agreements	69,801	0

The guarantee obligations for bank loans to affiliated companies are from lines of credit drawn on by affiliated companies. adidas AG's letters of credit are mainly import letters of credit in connection with product purchases in the Far East. The guarantee agreements are with various subsidiaries and secure mainly rent contracts.

Other liabilities relate to absolute guarantees of adidas AG for the benefit of affiliated companies. Comfort letters in unlimited amounts for the benefit of five (prior year: eight) affiliated companies were issued as at December 31, 2022. The risk of these being utilized is deemed to be low.

adidas AG declares support, except in the case of political risk, for 89 affiliated companies, so that they are able to meet their contractual liabilities. This declaration replaces the declaration of 2022 dated

February 25, 2022, which is no longer valid. The declaration of support automatically ceases from the time that a company no longer is a subsidiary of adidas AG.

Since the liabilities assumed arise in the normal course of business and due to the current strong financial position of the respective adidas Group affiliated companies, the risk that these will be called on is considered extremely slight.

OTHER FINANCIAL COMMITMENTS

Other financial commitments of € 1,979,647 thousand (prior year: € 2,390,545 thousand) for adidas AG include amounts for the entire foreseeable contractual period for promotion, advertising, rental and leasing agreements as at December 31, 2022.

MATURITIES € THOUSAND

in 2023	511,475
2024-2027	1,081,037
after 2028	387,135
	1,979,647

The contracted other financial commitments provide adidas AG with planning certainty on the one hand and, on the other hand, they ensure that the Company has the necessary liquidity. The risk of making payments that are not covered by the relevant contracts is considered to be very low.

DERIVATIVE FINANCIAL INSTRUMENTS

The adidas Group purchases more than 80% of its products in Asia. Since a major proportion of the product costs relate to raw materials that the suppliers have to purchase in US dollars (USD), billings to the adidas Group are also made mainly in USD. In contrast, sales by Group companies to customers are mainly in euros (EUR), pounds sterling (GBP), Japanese yen (JPY), Chinese Yuan Renminbi (CNY) and in many other currencies. Currency hedges are entered into to reduce the risk of changes in fair value and in cash flows (currency risks). Most subsidiaries hedge their currency risks through adidas AG, except for those subsidiaries that are unable to hedge through adidas AG due to local currency restrictions, or for whom it is more sensible to hedge locally for economic reasons. Currency risks that are assumed by adidas AG from subsidiaries by entering into intra-Group currency transactions are strategically hedged with banks for a period of up to 24 months in advance using forward exchange transactions, currency swaps, currency options, or a combination of currency options, which provide protection and, at the same time, the opportunity to profit from future beneficial foreign exchange rate movements on financial markets. In 2022, the adidas Group purchased around USD 6,1 billion net against € for of hedging purposes.

Due to procurement of the majority of goods in the Far East and the adidas Group's global operations, the worldwide distribution of goods is an important component of the Group's business. At the current time no hedging of commodity futures takes place but the risk is mitigated via purchase strategy. This strategy is reviewed regularly.

OUTSTANDING FINANCIAL DERIVATIVES € THOUSAND

	Dec. 31, 2022	Dec. 31, 2021
Notional amounts		
Currency hedging contracts	20,714,754	21,209,195
Equity instruments	661,202	661,721
	21,375,956	21,870,916

The notional volume of option structures is included only once in the notional amounts.

The equity instruments serve to hedge a Long-Term Incentive Plan (LTIP), a share-based remuneration scheme with cash settlement, and the conversion rights related to the convertible bond. The company uses derivative instruments to hedge against the risk of share price fluctuations. The fair value is based on the market price of the adidas AG share as at December 31, 2022 - and concerning the LTIP multiplied by the notional volume less accrued interest.

OUTSTANDING FINANCIAL DERIVATIVES € THOUSAND

	Dec. 31, 2022		Dec. 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets (Other assets)				
Currency hedging contracts	0	346,557	0	428,517
Equity instruments	0	127	0	47,811
Liabilities (Provision for contingent losses)				
Currency hedging contracts	-113,654	-363,931	-74,961	-421,101
Equity instruments	-60,536	-85,791	-9,168	-44,584
	-174,190	-103,038	-84,129	10,643

Notional amounts represent the gross total of all buy and sell contracts for derivative financial transactions. Fair values of forward exchange transactions are determined based on current ECB reference exchange rates or reference exchange rates of local central banks, together with forward premiums or discounts as well as the counterparty risk. The fair values (gains and losses) of the currency hedging contracts are presented as gross values.

Currency options are measured using market quotes or option pricing models (Garman-Kohlhagen model).

The notional amounts of outstanding financial derivatives in foreign currency are translated into euros at year-end closing rates.

The carrying values are taken from the balance sheet.

The table below provides an overview of the risks hedged as part of a hedging portfolio. The underlying transactions within a portfolio are secured with one or more hedging instruments (portfolio hedge):

HEDGED RISK AS OF THE BALANCE SHEET DATE € THOUSAND / MATURITY

	Notional	Net change in fair value	Maturity
Currency risk			
Risk			
Forward exchange transactions and options with subsidiaries	6,798,833	-84,875	1 - 19 month
Hedging			
Forward exchange transactions and options with banks	6,892,105	84,875	1 - 19 month
Equity instrument			
Risk			
Equity instrument with subsidiaries	48,584	25,127	1 - 25 month
Hedging			
Equity instrument with banks	548,584	-25,001	1 - 25 month
Equity instrument with banks	-500,000	-127	9 month

The difference in the notional amount relates to internal forward exchange transactions with subsidiaries without an external hedge. The foreign currency requirement of one subsidiary is covered with the excess of the same foreign currency of another subsidiary (natural hedge).

16 SALES

adidas AG's business activities are primarily concentrated in one sector, specifically the development, production and sales of sports and leisure articles. In addition, adidas AG generates a substantial portion of its revenues from licensing income, primarily from affiliated companies. The sales broken down by product group include the brands adidas and Reebok (until February 2022). From March 2022 onwards the commission income for Reebok sales is shown under other sales revenues.

SALES € THOUSAND

	2022	2021
Breakdown by product group		
Footwear	927,770	893,582
Apparel	660,995	609,807
Hardware	119,823	91,477
	1,708,588	1,594,866
Other sales revenues	717,691	643,377
Licensing income	2,387,528	2,236,658
Sales	4,813,807	4,474,901

Of these revenues, € 1,643,887 thousand (prior year: € 2,166,246 thousand) was generated in Germany and € 3,169,920 thousand (prior year: € 2,308,655 thousand) outside of Germany, mainly in Europe.

17 OTHER OPERATING INCOME

Other operating income consists mainly of € 1,160,150 thousand in foreign currency gains (prior year: € 576,912 thousand). Other operating income because of releases of allowances for doubtful accounts relating to receivables from affiliated companies did not occur in 2022 (prior year: € 5,359 thousand).

Other operation income also includes income relating to other periods of € 62,713 thousand (prior year: € 84,144 thousand). This income includes essentially income from the reversal of accruals and provisions in an amount of € 59,625 thousand (prior year: € 58,289 thousand).

18 COST OF MATERIALS

COST OF MATERIALS € THOUSAND

	2022	2021
Cost of raw materials, consumables and supplies, and of purchased merchandise	1,370,912	1,280,481
Cost of purchased services	507,470	463,687
Cost of materials	1,878,382	1,744,168

19 PERSONNEL EXPENSES

PERSONNEL EXPENSES € THOUSAND

	2022	2021
Wages and salaries	576,591	616,596
Social security, post-employment and other employee benefit costs	149,730	151,779
of which for retirement benefits	43,160	63,393
Personnel expenses	726,321	768,375

The decrease in personnel expenses mainly relates to lower expenses for bonuses and retirement benefits in comparison to prior year.

20 AMORTIZATION AND WRITE-DOWNS OF INTANGIBLE FIXED ASSETS AND DEPRECIATION AND WRITE-DOWNS OF TANGIBLE FIXED ASSETS

Amortization and write-downs of intangible assets of € 84,373 thousand (prior year: € 73,756 thousand) relates to computer software and licenses. Depreciation and write-downs of tangible fixed assets of € 55,233 thousand (prior year: € 43,648 thousand) relates primarily to depreciation of € 25,224 thousand (prior year: € 21,961 thousand) on buildings as well as depreciation of € 16,906 thousand (prior year: € 16,569 thousand) on other equipment, operating and office equipment.

21 OTHER OPERATING EXPENSES

Other operating expenses essentially comprise currency exchange losses, cost transfers, advertising and promotional expenses, IT and maintenance costs, legal and consultancy fees, rental and lease charges, outgoing freight, services as well as postal and telephone expenses. The € 951,587 thousand increase in

these expenses essentially results from the increase in currency exchange losses by € 607,429 thousand to € 1,246,932 thousand as well as for cost transfers by € 80,269 thousand to € 931,887 thousand and the advertising and promotional expenses by € 65,272 thousand to € 653,898 thousand. Other operating expenses include expenses not relating to the accounting period in an amount of € 559 thousand (prior year: € 9,495 thousand) which primarily relates to a provision for pending losses.

22 INCOME FROM INVESTMENTS IN RELATED COMPANIES

Income from adidas AG's investments in related companies amounted to € 2,491,398 thousand (prior year: € 1,065,579 thousand) and essentially relates to dividend payments from subsidiaries in The Netherlands, France, Korea and Switzerland.

23 PROFITS RECEIVED IN ACCORDANCE WITH A PROFIT AND LOSS TRANSFER AGREEMENT

A profit and loss transfer agreement exists with adidas Insurance & Risk Consultants GmbH, Herzogenaurach and adidas Beteiligungsgesellschaft mbH, Herzogenaurach. The change is attributable to the transfer of a lower gain from adidas Beteiligungsgesellschaft mbH amounting to € 130,568 thousand (prior year: € 860,706 thousand).

24 INTEREST RESULT

INTEREST RESULT € THOUSAND

	2022	2021
Income from loans of long-term financial assets	2,179	912
of which from affiliated companies	2,179	912
Other interest and similar income	53,762	35,573
of which from affiliated companies	47,966	10,388
Interest and similar expenses	-113,135	-47,395
of which to affiliated companies	-55,671	-18,758
Interest result	-57,194	-10,910

The interest expenses in connection with pension provisions amounted to € 32,748 thousand (prior year interest income € 20,857 thousand).

25 TAXES ON INCOME

Taxes on income mainly include municipal trade tax and withholding tax on interest and licensing income, interest and dividends resulting from the collection of this income from outside Germany as well as corporate income tax.

Taxes on income do not include any gains or losses from deferred taxes.

adidas AG exercises the statutory right concerning the netting of deferred tax assets and deferred tax liabilities in accordance with § 274 (1) sentence 3 HGB. In accordance with the option under § 274 (1) sentence 2 HGB, adidas AG has opted to forgo recognizing the surplus deferred tax assets of € 107,100

thousand in future tax benefits due to temporary accounting differences (prior year: € 83,363 thousand). This amount was calculated based on a combined income tax rate of 27.37 %.

Deferred tax assets result primarily from other assets, intangible assets and forward exchange transactions. Deferred tax liabilities result essentially in relation to pension provisions, land and shares in affiliated companies.

26 REMUNERATION OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

EXECUTIVE BOARD

The overall compensation of the members of the Executive Board in the 2022 financial year amounted to € 6,472 thousand (previous year: € 13,128 thousand). For the 2022 financial year no LTIP Bonus was granted (previous year: € 14,183 thousand). The lower total remuneration in comparison to the previous year is mainly attributable to the fact that no performance bonus was granted to the members of the board for the 2022 financial year.

In agreement with the Supervisory Board, Kasper Rorsted resigned from his position as CEO effective November 11, 2022. For the remaining term of his service contract from November 12 to December 31, 2022, the contractual basic salary totaling € 301 thousand was also granted. In addition, a one-time severance payment of € 11,973 thousand gross was agreed as compensation for the early termination of his service contract, which was reported as a provision as of December 31, 2022 and is included in the total remuneration as termination benefits. The termination agreement also provides for the payment of compensation for a 18-month non-compete clause in the employment contract in the gross amount of € 168 thousand per month.

PENSION COMMITMENTS € THOUSAND

	Service cost		Accumulated pension obligation for the pension commitments	
	2022	2021	2022	2021
Executive Board members incumbent as at Dec. 31, 2022				
Roland Auschel	488	479	4,212	3,681
Brian Grevy	457	481	1,274	846
Harm Ohlmeyer	523	541	2,866	2,390
Martin Shankland	482	409	1,802	1,296
Amanda Rajkumar	462	457	882	457
Total	2,412	2,367	11,036	8,670
Executive Board members who departed in the 2022 financial year				
Kasper Rorsted (until November 11, 2022)	1,183	1,103	7,194	6,029
Total	1,183	1,103	7,194	6,029

Former members of the Executive Board and their surviving dependents received a total of € 16,664 thousand in benefits in the 2022 financial year (prior year: € 4,247 thousand). This amount includes the

one-time severance payment of € 11,973 thousand gross as compensation for the early termination of of Kasper Rorsted's employment contract, which was reported as a provision as of December 31, 2022.

Provisions for pension entitlements have been created for the former members of the Executive Board who resigned on or before December 31, 2005 and their surviving dependents, in an amount of € 37,423 thousand in total as at December 31, 2022 before offsetting with the assets of the "adidas Pension Trust e.V." (prior year: € 40,753 thousand).

There are pension commitments towards six former Executive Board members who resigned after December 31, 2005, which are covered by a pension fund or a pension fund in combination with a reinsured pension trust fund. From this, indirect obligations amounting to € 47,528 thousand (prior year: € 43,981 thousand) arise for adidas AG, for which no provisions were created due to financing through the pension fund and pension trust fund. Provisions for pension entitlements have been created for two former members of the Executive Board who resigned on or after December 31, 2019 in an amount of € 3,843 thousand (prior year € 3.739 thousand).

The Executive Board members have not received any loans and advance payments from adidas AG.

SUPERVISORY BOARD

The annual total compensation for members of the Supervisory Board in accordance with the Articles of Association was € 2,803 thousand (prior year: € 2,231 thousand). This includes attendance fees in a total amount of € 59 thousand (prior year € 31 thousand). The meetings of the Supervisory Board and its committees were held in attendance events and virtually.

The Supervisory Board members have not received any loans or advance payments from adidas AG.

27 OTHER DISCLOSURES

NO. OF EMPLOYEES (ANNUAL AVERAGE)

	2022			2021		
	Total	Salaried	Wage	Total	Salaried	Wage
Global Sales	770	770	0	690	690	0
Headquarters						
Corporate Services	2,223	2,192	31	1,988	1,950	38
Marketing	1,796	1,795	1	1,693	1,692	1
Operations	2,609	1,172	1,437	2,521	1,062	1,459
Market Europe	1,147	979	168	1,057	894	163
	8,545			7,948		
As at December 31,	8,596			8,155		

RECOMMENDATION ON THE APPROPRIATION OF THE RETAINED EARNINGS OF ADIDAS AG

The Executive Board of adidas AG will propose to use retained earnings of adidas AG in an amount of € 723,270 thousand as reported in the 2022 financial statements of adidas AG for a dividend payment of € 0.70 per dividend-entitled share. The subsequent remaining amount will be carried forward.

DECLARATION ON THE GERMAN CORPORATE GOVERNANCE CODE

In December 2022, the Executive Board and Supervisory Board of adidas AG issued an updated Declaration of Compliance in accordance with § 161 AktG and made it permanently available to the shareholders. The full text of the Declaration of Compliance is available on the corporate website.

DISCLOSURES PURSUANT TO § 285 NO. 10 HGB

The disclosures pursuant to § 285 no. 10 HGB are contained in Appendix 1 to the notes to the financial statements.

DISCLOSURES PURSUANT TO § 285 NO. 17 HGB

Expenses for the audit fees of KPMG AG Wirtschaftsprüfungsgesellschaft were mainly related to the audits of both the consolidated financial statements and the financial statements of adidas AG, as well as the audit of the financial statements of its subsidiary, adidas CDC Immobilieninvest GmbH.

Other confirmation services consist of audits which are either required by law or contractually agreed, such as the audit of the non-financial declaration, the European Market Infrastructure Regulation (EMIR), audits according to §20 WpHG, audits according to the German Packaging Ordinance (Verpackungsverordnung – VerpackV), the issuance of comfort letters and other contractually agreed-upon confirmation services.

Other services provided by the auditor relate to a status check concerning the determination of a non-financial key performance indicator.

In accordance with § 285 no. 17 HGB, the Company has opted not to include a disclosure of the total audit fee charged by the auditor in this report, since such disclosures are already contained in the consolidated financial statements of the adidas Group.

DISCLOSURES PURSUANT TO § 285 NO. 33 HGB

There have been no events of particular significance since the end of the fiscal year.

In its function as the ultimate parent, adidas AG, Herzogenaurach, (Local Court of Fürth, HRB 3868), prepares consolidated financial statements, which are published in the Federal Gazette.

Herzogenaurach, February 21, 2023

The Executive Board of adidas AG

Bjørn Gulden

Roland Auschel

Brian Grevy

Harm Ohlmeyer

Amanda Rajkumar

Martin Shankland

SUPERVISORY BOARD

THOMAS RABE

Chairman

residing in Berlin, Germany

born on August 6, 1965

Member of the Supervisory Board since May 9, 2019

Chairman and Chief Executive Officer, Bertelsmann Management SE, Gütersloh, Germany

Chief Executive Officer, RTL Group S.A., Luxembourg, Luxembourg

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

UDO MÜLLER*

Deputy Chairman

residing in Herzogenaurach, Germany

born on April 14, 1960

Member of the Supervisory Board since October 6, 2016

Manager History Management, adidas AG, Herzogenaurach, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

IAN GALLIENNE

Deputy Chairman

residing in Gerpinnes, Belgium

born on January 23, 1971

Member of the Supervisory Board since June 15, 2016

Chief Executive Officer, Groupe Bruxelles Lambert, Brussels, Belgium

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Member of the Board of Directors, Pernod Ricard SA, Paris, France
- Member of the Board of Directors, SGS SA, Geneva, Switzerland

Mandates within the Groupe Bruxelles Lambert or in entities under common control with the Groupe Bruxelles Lambert:

- Member of the Board of Directors, Imerys SA, Paris, France
- Member of the Board of Directors, Sienna Investment Managers SA¹, Strassen, Luxembourg
- Member of the Board of Directors, Compagnie Nationale à Portefeuille SA, Loverval, Belgium
- Member of the Board of Directors, Château Cheval Blanc, Société Civile, Saint-Émilion, France
- Member of the Board of Directors, GBL Development Ltd., London, United Kingdom
- Chairman of the Supervisory Board², Marnix French ParentCo SAS (Webhelp Group), Paris, France
- Member of the Board of Directors, Financière De La Sambre, Loverval, Belgium
- Member of the Board of Directors, Carpar SA, Loverval, Belgium

¹ Since July 21, 2022, previously Sienna Capital S.à.r.l.

² Since November 19, 2019.

* Employee representative.

PETRA AUERBACHER*

residing in Emskirchen, Germany

born on December 27, 1969

Member of the Supervisory Board since May 9, 2019

Full-time member of the Works Council Herzogenaurach, adidas AG, Herzogenaurach, Germany³

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

BIRGIT BIERMANN*

residing in Bochum, Germany

born on December 26, 1973

Member of the Supervisory Board since September 1, 2022

Member of the Steering Committee, IGBCE, Hannover, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Member of the Supervisory Board, Merck KgaA, Darmstadt, Germany

JACKIE JOYNER-KERSEE

residing in Ballwin, Missouri, USA

born on March 3, 1962

Member of the Supervisory Board since May 12, 2021

CEO Jackie Joyner-Kersee Foundation and Motivational Speaker, East St. Louis, Illinois, USA

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

CHRISTIAN KLEIN

residing in Mühlhausen, Germany

born on May 4, 1980

Member of the Supervisory Board since August 11, 2020

Chief Executive Officer, SAP SE, Walldorf, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

Mandates within the SAP Group:

- Member of the Board of Directors, Qualtrics International, Inc., Provo, Utah, USA⁴

BASTIAN KNOBLOCH*

residing in Bramsche, Germany

born on September 12, 1982

Member of the Supervisory Board since January 1, 2022

Chairman of the Works Council Campus North, adidas AG, Rieste, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

³ Since May 8, 2022, previously Project Manager Creative Direction, adidas AG, Herzogenaurach, Germany.

⁴ Since December 14, 2020.

* Employee representative.

KATHRIN MENGES

residing in Großenbrode, Germany

born on October 16, 1964

Member of the Supervisory Board since May 8, 2014

Self-employed entrepreneur

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

BEATE ROHRIG*

residing in Glashütten, Germany

born on March 24, 1965

Member of the Supervisory Board since May 9, 2019

State District Manager of the Industrial Union IG BCE, State District Bavaria, Munich, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Member of the Supervisory Board, Wacker Chemie AG, Munich, Germany

NASSEF SAWIRIS

residing in London, United Kingdom

born on January 19, 1961

Member of the Supervisory Board since June 15, 2016

Executive Chairman and Member of the Board of Directors, OCI N.V., Amsterdam, The Netherlands

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- CEO of Avanti Acquisition Corp., New York, USA (in liquidation)

FRANK SCHEIDERER*

residing in Wilhelmsdorf, Germany

born on April 16, 1977

Member of the Supervisory Board since May 9, 2019

Director Finance - Strategy and Programs, adidas AG, Herzogenaurach, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

MICHAEL STORL*

residing in Oberreichenbach, Germany

born on July 3, 1959

Member of the Supervisory Board since May 9, 2019

Deputy Chairman of the Works Council Herzogenaurach, adidas AG, Herzogenaurach, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

* Employee representative.

BODO UEBBER

residing in Munich, Germany

born on August 18, 1959

Member of the Supervisory Board since May 9, 2019

Independent Management Consultant

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Member of the Supervisory Board, Bertelsmann SE & Co. KGaA/Bertelsmann Management SE, Gütersloh, Germany
- Chairman of the Supervisory Board, Evercore GmbH, Frankfurt/Main, Germany

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Non-Executive Director, Levere Holding Corp., Grand Cayman, Cayman Islands

JING ULRICH

residing in Stamford, Connecticut, USA

born on June 28, 1967

Member of the Supervisory Board since May 9, 2019

Managing Director and Vice Chairman, Investment Banking, JPMorgan Chase & Co., New York, USA⁵

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

GÜNTER WEIGL*

residing in Oberreichenbach, Germany

born on April 14, 1965

Member of the Supervisory Board since May 9, 2019

Senior Vice President Brand Partnerships, adidas AG, Herzogenaurach, Germany⁶

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

MEMBER OF THE SUPERVISORY BOARD UNTIL AUGUST 31, 2022

ROLAND NOSKO*

residing in Wolnzach, Germany

born on August 19, 1958

Member of the Supervisory Board since May 13, 2004

District Manager of the Industrial Union IG Bergbau, Chemie, Energie (IG BCE), District of Nuremberg,

Nuremberg, Germany

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Deputy Chairman of the Supervisory Board, CeramTec GmbH, Plochingen, Germany⁷
- Member of the Supervisory Board, Plastic Omnium Automotive Exteriors GmbH, Munich, Germany⁸

⁵ Since May 1, 2022, previously Vice Chairman of Global Banking and Asia Pacific, JPMorgan Chase & Co., New York, USA.

⁶ Since August 15, 2021, previously Senior Vice President Global Sports Marketing & Brand Relations, adidas AG.

⁷ Until May 10, 2022.

⁸ Until September 22, 2022.

* Employee representative.

EXECUTIVE BOARD

BJØRN GULDEN, HATTINGEN, GERMANY⁹

Chief Executive Officer

Membership in controlling bodies pursuant to § 285 no. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Member of the Supervisory Board, Tchibo GmbH, Hamburg, Germany

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Chairman of the Board of Directors, Salling Group A/S, Brabrand, Denmark
- Member of the Board of Directors, Essity AB, Stockholm, Sweden

ROLAND AUSCHEL, ERLANGEN, GERMANY

Executive Board member in charge of Global Sales

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

BRIAN GREVY, GRÜNWALD, GERMANY

Executive Board member in charge of Global Brands

Membership in controlling bodies pursuant to § 285 no. 10 HGB:

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Member of the Board of Directors, Pitzner Gruppen Holding A/S, Copenhagen, Denmark

HARM OHLMEYER, RÖTTENBACH, GERMANY

Chief Financial Officer

Membership in control bodies pursuant to § 285 sec. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Member of the Supervisory Board, SV Werder Bremen GmbH & Co KG aA, Bremen, Germany

AMANDA RAJKUMAR, NUREMBERG, GERMANY

Executive Board member in charge of Global Human Resources, People and Culture

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

MARTIN SHANKLAND, NUREMBERG, GERMANY

Executive Board member in charge of Global Operations

Membership in control bodies pursuant to § 285 sec. 10 HGB:

- none

⁹ Since January 1, 2023.

EXECUTIVE BOARD MEMBER UNTIL NOVEMBER 11, 2022

KASPER RORSTED, PÖCKING, GERMANY

Chief Executive Officer

Membership in controlling bodies pursuant to § 285 no. 10 HGB:

Membership in other statutory supervisory boards in Germany:

- Member of the Supervisory Board, Siemens AG, Berlin and Munich, Germany

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Member of the Board of Directors, Nestlé S.A., Vevey, Switzerland¹⁰

¹⁰ Until April 7, 2022.

SHAREHOLDINGS OF ADIDAS AG, HERZOGENAURACH, AS AT DECEMBER 31, 2022

	Company and domicile		Share in capital held by ¹	in %	Equity (EUR million)	Profit / Loss (EUR million)
	Germany					
1	adidas Insurance & Risk Consultants GmbH ²	Herzogenaurach (Germany)	directly	100	0	-
2	adidas Beteiligungsgesellschaft mbH ²	Herzogenaurach (Germany)	directly	100	682	-
3	adidas CDC Immobilieninvest GmbH	Herzogenaurach (Germany)	12	100	(1)	(3)
4	Reebok Marketing GmbH	Herzogenaurach (Germany)	directly	100	0	(0)
	Europe (incl. Middle East and Africa)					
5	adidas International Trading AG	Lucerne (Switzerland)	10	100	2,428	356
6	adidas sport gmbh	Lucerne (Switzerland)	directly	100	7	2
7	adidas Austria GmbH	Klagenfurt (Austria)	directly	100	7	2
8	runtastic GmbH	Pasching (Austria)	10	100	9	2
9	adidas France S.a.r.l.	Strasbourg (France)	directly	100	309	161
10	adidas International B.V.	Amsterdam (Netherlands)	directly	93.97	4,788	871
			9	6.03		
11	adidas International Marketing B.V.	Amsterdam (Netherlands)	10	100	69	10
12	adidas International Property Holding B.V.	Amsterdam (Netherlands)	68	100	58	1
13	adidas Infrastructure Holding B.V.	Amsterdam (Netherlands)	10	100	(0)	(0)
14	adidas Benelux B.V.	Amsterdam (Netherlands)	directly	100	8	7
15	adidas Ventures B.V.	Amsterdam (Netherlands)	10	100	(31)	(1)
16	adidas (UK) Limited	Stockport (Great Britain)	10	100	43	36
17	Trafford Park DC Limited	Stockport (Great Britain)	13	100	4	1
18	adidas Pensions Management Limited (formerly: Reebok Pensions Management Limited)	Stockport (Great Britain)	16	100		
19	adidas (Ireland) Limited	Kildare (Ireland)	10	100	5	1
20	adidas International Re DAC	Dublin (Ireland)	10	100	33	(1)
21	adidas España S.A.U.	Zaragoza (Spain)	2	100	63	14
22	adidas Italy S.p.A.	Monza (Italy)	10	100	138	9
23	adidas Portugal - Artigos de Desporto, S.A.	Lisbon (Portugal)	10	100	3	2
24	adidas Business Services, Lda.	Morea da Maia (Portugal)	10	98	3	3
			directly	2		
25	adidas Norge AS	Oslo (Norway)	directly	100	3	1
26	adidas Sverige Aktiebolag	Solna (Sweden)	directly	100	7	3
27	adidas Suomi Oy	Vantaa (Finland)	10	100	2	1
28	adidas Danmark A/S	Copenhagen (Denmark)	10	100	3	2
29	adidas CR s.r.o.	Prague (Czech Republic)	directly	100	4	2
30	adidas Budapest Kft.	Budapest (Hungary)	directly	100	2	1
31	adidas Bulgaria EAD	Sofia (Bulgaria)	directly	100	2	1
32	LLC "adidas, Ltd."	Moscow (Russia)	directly	100	220	(225)
33	adidas Poland Sp. z o.o.	Warsaw (Poland)	directly	100	34	8
34	adidas Romania S.R.L.	Bucharest (Romania)	10	100	1	1
35	adidas Baltics SIA	Riga (Latvia)	10	100	2	0
36	adidas Slovakia s.r.o.	Bratislava (Slovak Republic)	directly	100	1	1
37	adidas Trgovina d.o.o.	Ljubljana (Slovenia)	directly	100	1	0
38	SC 'adidas-Ukraine'	Kiev (Ukraine)	directly	100	9	(17)
39	adidas LLP	Almaty (Republic of Kazakhstan)	directly	100	23	8
40	adidas Serbia DOO Beograd	Belgrade (Serbia)	10	100	6	2
41	adidas Croatia d.o.o.	Zagreb (Croatia)	10	100	7	1
42	adidas Hellas S.A.	Athens (Greece)	directly	100	32	4

SHAREHOLDINGS OF ADIDAS AG, HERZOGENAURACH, AS AT DECEMBER 31, 2022

	Company and domicile		Share in capital held by ¹	in %	Equity (EUR million)	Profit / Loss (EUR million)
43	adidas (Cyprus) Limited	Limassol (Cyprus)	directly	100	2	0
44	adidas Spor Malzemeleri Satis ve Pazarlama A.S.	Istanbul (Turkey)	10	100	54	17
45	adidas Emerging Markets L.L.C	Dubai (United Arab Emirates)	indirectly	51	[32]	[47]
			9	49		
46	adidas Emerging Markets FZE	Dubai (United Arab Emirates)	10	100	93	82
47	adidas Levant Limited	Dubai (United Arab Emirates)	46	100	4	2
48	adidas Levant Limited - Jordan	Amman (Jordan)	47	100	4	3
49	adidas Imports & Exports Ltd.	Cairo (Egypt)	50	99.98	[4]	[6]
			10	0.02		
50	adidas Sporting Goods Ltd.	Cairo (Egypt)	10	90	10	2
			directly	10		
51	adidas Israel Ltd.	Holon (Israel)	10	85	47	7
52	adidas Morocco LLC	Casablanca (Morocco)	directly	100	[5]	1
53	adidas (South Africa) (Pty) Ltd.	Cape Town (South Africa)	directly	100	35	2
North America						
54	adidas North America, Inc.	Wilmington, Delaware (USA)	10	100	3,711	286
55	adidas America, Inc.	Portland, Oregon (USA)	54	100	409	71
56	adidas International, Inc.	Portland, Oregon (USA)	54	100	124	15
57	adidas Team, Inc.	Des Moines, Iowa (USA)	54	100	[1]	-
58	adidas Holdings LLC	Wilmington, Delaware (USA)	54	69	350	[1,027]
			62	31		
59	adidas Indy, LLC	Wilmington, Delaware (USA)	54	100	[6]	1
60	Stone Age Equipment, Inc.	Marina Del Rey, California (USA)	55	100	3	[0]
61	Spartanburg DC, Inc.	North Charleston, South Carolina (USA)	55	100	28	4
62	adidas Pluto Corporation	Wilmington, Delaware (USA)	10	100	87	[0]
63	adidas Canada Limited	Woodbridge, Ontario (Canada)	10	100	171	8
Asia-Pacific						
64	adidas Sourcing Limited	Hong Kong (China)	5	100	63	48
65	adidas Hong Kong Limited	Hong Kong (China)	2	100	[57]	6
66	adidas Trading (Far East) Limited (formerly: Reebok Trading (Far East) Limited)	Hong Kong (China)	54	100	7	0
67	adidas (Suzhou) Co., Ltd.	Suzhou (China)	2	100	6	[0]
68	adidas Sports (China) Co., Ltd.	Shanghai (China)	2	100	343	[281]
69	adidas (China) Ltd.	Shanghai (China)	10	100	109	21
70	adidas Sports Goods (Shanghai) Co., Ltd	Shanghai (China)	69	100	[29]	[20]
71	Runtastic Software Technology (Shanghai) Co., Ltd.	Shanghai (China)	10	100	1	[0]
72	Zhuhai adidas Technical Services Limited	Zhuhai (China)	64	100	5	[0]
73	adidas Logistics (Tianjin) Co., Ltd.	Tianjin (China)	13	100	27	1
74	adidas Business Services (Dalian) Limited	Dalian (China)	10	100	10	4
75	adidas Japan K.K.	Tokyo (Japan)	10	100	80	15
76	adidas Korea LLC.	Seoul (Korea)	directly	100	166	13
77	adidas Korea Technical Services Limited	Busan (Korea)	64	100	0	0
78	adidas India Private Limited	New Delhi (India)	directly	10.67	72	[0]
			10	89.33		
79	adidas India Marketing Private Limited	New Delhi (India)	78	98.62	155	34
			10	1.00		
			directly	0.37		

SHAREHOLDINGS OF ADIDAS AG, HERZOGENAURACH, AS AT DECEMBER 31, 2022

	Company and domicile		Share in capital held by ¹	in %	Equity (EUR million)	Profit / Loss (EUR million)
80	adidas Technical Services Private Limited	New Delhi (India)	64	100	3	0
81	Reebok India Company	New Delhi (India)	58	99.03	25	[3]
			91	0.91		
			55	0.07		
82	PT adidas Indonesia	Jakarta (Indonesia)	10	99.67	16	5
			directly	0.33		
83	adidas (Malaysia) Sdn. Bhd.	Petaling Jaya (Malaysia)	directly	60	15	8
			10	40		
84	ADIDAS PHILIPPINES, INC.	Taguig City (Philippines)	directly	100	17	9
85	adidas Singapore Pte Ltd	Singapore (Singapore)	directly	100	19	5
86	adidas Taiwan Limited	Taipei (Taiwan)	10	100	24	9
87	adidas (Thailand) Co., Ltd.	Bangkok (Thailand)	directly	100	37	10
88	adidas Australia Pty Limited	Mulgrave (Australia)	10	100	67	11
89	adidas New Zealand Limited	Auckland (New Zealand)	directly	100	8	4
90	adidas Vietnam Company Limited	Ho Chi Minh City (Vietnam)	10	100	2	5
91	adidas (Mauritius) Limited (formerly: Reebok (Mauritius) Company Limited)	Port Louis (Mauritius)	58	100	[0]	-
	Latin America					
92	adidas Argentina S.A.	Buenos Aires (Argentina)	10	76.96	108	13
			2	23.04		
93	Refof de Argentina S.A. (formerly: Reebok Argentina S.A.)	Buenos Aires (Argentina)	directly	96.25	[0]	[0]
			10	3.75		
94	adidas do Brasil Ltda.	São Paulo (Brazil)	2	100	185	50
95	adidas Franchise Brasil Servicos Ltda.	São Paulo (Brazil)	94	99.99	6	8
			directly	0.01		
96	REFOP Produtos Esportivos Brasil Ltda. (formerly: Reebok Produtos Esportivos Brasil Ltda.)	São Paulo (Brazil)	10	100	1	[1]
97	adidas Chile Limitada	Santiago de Chile (Chile)	directly	99	53	10
			1	1		
98	adidas Colombia Ltda.	Bogotá (Colombia)	directly	100	20	3
99	adidas Perú S.A.C.	Lima (Peru)	directly	99.21	56	13
			97	0.79		
100	adidas de Mexico, S.A. de C.V.	Mexico City (Mexico)	directly	100	135	51
101	adidas Industrial, S.A. de C.V.	Mexico City (Mexico)	directly	100	29	14
102	Refof de Mexico, S.A. de C.V. (formerly: Reebok de Mexico, S.A. de C.V.)	Mexico City (Mexico)	directly	100	[31]	[0]
103	adidas Latin America, S.A.	Panama City (Panama)	directly	100	[42]	16
104	Concept Sport, S.A.	Panama City (Panama)	10	100	2	1
105	3 Stripes S.A.	Montevideo (Uruguay)	directly	100	[0]	-
106	Tafibal S.A.	Montevideo (Uruguay)	directly	100	[1]	[0]
107	Raelit S.A.	Montevideo (Uruguay)	directly	100	0	[0]
108	adidas Sourcing Honduras, S.A.	San Pedro Sula (Honduras)	54	100		
109	adisport Corporation	San Juan (Puerto Rico)	10	100	[1]	0
110	adidas Sourcing El Salvador, S.A. de C.V.	Antiguo Cuscatlán (El Salvador)	10	99.95	0	[0]
			directly	0.05		

¹ The number refers to the number of the company.

² Profit and loss transfer agreement.

REPRODUCTION OF THE INDEPENDENT AUDITOR'S REPORT

Based on the results of our audit, we have issued the following unqualified auditor's report:

INDEPENDENT AUDITOR'S REPORT

To adidas AG, Herzogenaurach

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

OPINIONS

We have audited the annual financial statements of adidas AG, Herzogenaurach, which comprise the balance sheet as of December 31, 2022, and the income statement for the financial year from January 1 to December 31, 2022, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of the Company and the Group (combined management report) of adidas AG for the financial year from January 1 to December 31, 2022.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the Appendix to the Independent Auditor's Report.

The combined management report contains cross-references that are not provided for by law. In accordance with German legal requirements, we have not audited the cross-references specified in the Appendix to the Independent Auditor's Report or the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2022, and of its financial performance for the financial year from January 1 to December 31, 2022, in compliance with German legally required accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does

not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. The combined management report contains cross-references that are not provided for by law. Our opinion does not extend to the cross-references specified in the Appendix to the Independent Auditor's Report or the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

BASIS FOR THE OPINIONS

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2022. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

RECOVERABILITY OF SHARES IN AFFILIATED COMPANIES

Please refer to the "Accounting policies" section in the notes to the financial statements for more information on the accounting policies applied and to section 3 in the notes to the financial statements for information on the accounting of financial assets.

THE FINANCIAL STATEMENT RISK

An amount of EUR 4,152 million in shares in affiliated companies was recognized under the "Financial assets" item on the balance sheet of adidas AG, Herzogenaurach, as of December 31, 2022. The shares in affiliated companies account for 39.6% of total assets and thus have a material effect on the Company's assets and liabilities.

The Executive Board of adidas AG recognizes the shares in affiliated companies at cost or, if they are expected to be permanently impaired, at their lower fair value.

Fair value depends largely on the assumptions made and is therefore subject to significant judgment. This relates in particular to the appropriate estimation of future cash flows and growth

rates, appropriate determination of the risk-appropriate weighted average cost of capital and the appropriate assessment of the permanence of impairment or the reversal of an impairment loss.

There is the risk for the annual financial statements that an impairment loss or a reversal of an impairment loss existing as of the reporting date was not identified.

OUR AUDIT APPROACH

We use a risk-based audit approach. First, we used the information obtained during our audit to assess which shares in affiliated companies indicated a need for impairment.

Our audit procedures also included assessing the valuation model for the business valuations carried out by the Company. We confirmed the methodically correct derivation and appropriateness of the level of risk-appropriate discount rates used. For this reason we determined our own estimates of the underlying parameters for the weighted average cost of capital (such as risk-free rate, market risk premium, beta factor) and compared these with the client's assumptions. To support this assessment, we involved our employees specializing in company valuation in the audit team.

Furthermore, we evaluated whether the budgeted cash flows underlying the valuations were made according to proper and reasonable assumptions. To do this, we obtained clarification from the Company or individuals at affiliated companies specified by the Company on these assumptions and the impact of strategic and operating activities on the budgeted cash flows. We used industry benchmarks to review the long-term earnings forecasts in relation to the appropriateness of the budgeted figures and assumptions included. To the extent possible, we assessed the planning quality by comparing past budgets with the actual annual results. Finally, we discussed with Investment Controlling the measurements determined by adidas AG and verified the accounting entry of the measurements derived from this.

OUR OBSERVATIONS

The valuation model used by adidas AG is appropriate and in line with applicable valuation policies. The Executive Board's assumptions underlying the measurement are balanced as a whole.

OTHER INFORMATION

The Executive Board and/or the Supervisory Board are responsible for the other information. The other information comprises:

- the components of the combined management report not audited for content specified in the Appendix to the Independent Auditor's Report.

The other information also includes the remaining parts of the annual report. The other information does not include the annual financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the annual financial statements and on the combined management report do not cover the other information and, consequently, we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The Executive Board is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the Executive Board is responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the Executive Board is responsible for the preparation of a combined management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the Executive Board is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the Executive Board and the reasonableness of estimates made by the Executive Board and related disclosures.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the Executive Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SECTION 317 (3A) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the electronic file „adidasAGAbschlussfürhtml“ (SHA256 hash value: C77EFA180C68DD0B0DEF055EF9C0BC4347168D68C63BB7AF77E19943910E2D1F) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file made available identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2022 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the annual financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's Executive Board is responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB.

In addition, the Company's Executive Board is responsible for such internal control as it has considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and the audited combined management report.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as auditor at the Annual General Meeting on May 12, 2022. We were engaged by the Supervisory Board on August 2, 2022. We have been the auditor of adidas AG without interruption since financial year 1995.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER - USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the examined ESEF documents. The annual financial statements and the combined management report converted into ESEF format – including the versions to be entered into the company register – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the

ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents provided in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Johannes Hanshen.

Munich, February 24, 2023

KPMG AG

Wirtschaftsprüfungsgesellschaft

gez. Huber-Straßer

gez. Hanshen

Wirtschaftsprüferin

Wirtschaftsprüfer

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and the Management Report, which has been combined with the Group Management Report, includes a fair review of the development and performance of the business and the position of the company, together with a description of the material opportunities and risks associated with the expected development of the company.

Herzogenaurach, February 21, 2023



BJØRN GULDEN
CHIEF EXECUTIVE OFFICER



ROLAND AUSCHEL
GLOBAL SALES



BRIAN GREVY
GLOBAL BRANDS



HARM OHLMEYER
CHIEF FINANCIAL OFFICER



AMANDA RAJKUMAR
GLOBAL HUMAN RESOURCES,
PEOPLE AND CULTURE



MARTIN SHANKLAND
GLOBAL OPERATIONS

SUPERVISORY BOARD REPORT

DEAR SHAREHOLDERS,

2022 was a disappointing year for adidas. Geopolitical tensions as well as macroeconomic and company-specific challenges, severely impacted adidas' top- and bottom-line performance last year. While large parts of the global economy recovered from the coronavirus pandemic, business activity in Greater China was still negatively affected by strict lockdown measures throughout most of the year. In addition, the war in Ukraine, continued supply chain constraints, increasing inflation, tightened monetary policy and, as a result, a slowdown in consumer demand, had a significant adverse impact on the company's business activities. In this challenging environment, adidas posted solid growth in its Western markets as well as in Asia-Pacific. The company continued to invest into the creation and marketing of its products, the physical and virtual consumer experience as well as into driving its sustainability efforts and further improving its digital set-up. In addition to the challenging market backdrop, adidas faced company-specific challenges such as the slower recovery in Greater China and the termination of its Yeezy partnership. As a result, the company's top- and bottom-line results came in significantly below our initial expectations. With the appointment of Bjørn Gulden as new CEO as of January 1, 2023, we have been paving the way for a successful restart of adidas. Consequently, the company is currently conducting a thorough strategic review, which also includes its long-term financial ambition.

SUPERVISION AND ADVICE IN DIALOGUE WITH THE EXECUTIVE BOARD

In the year under review, we performed all of our tasks laid down by law, the Articles of Association, the German Corporate Governance Code ('Code'), and the Rules of Procedure carefully and conscientiously, as in previous years. We regularly advised the Executive Board on the management of the company as well as diligently and continuously supervised its management activities. The Executive Board involved us directly and in a timely and comprehensive manner in all of the company's fundamental decisions.

The Executive Board informed us extensively and regularly through written and oral reports. This information covered all relevant aspects of the company's corporate strategy, business planning (including finance, investment and personnel planning), the business development, and the company's financial position and profitability. We were also kept up to date on matters relating to accounting processes, the risk situation and the effectiveness and development of the Internal Control and Risk Management Systems, compliance as well as all major decisions and business transactions. Furthermore, the Executive Board always reported immediately and thoroughly on any deviations in business performance from the plans. In the year under review, such deviations were attributable, in particular, to the geopolitical situation in Ukraine and the associated wind-down of business operations in Russia, the ongoing pandemic-related restrictions and the related slower recovery of the business in China, elevated inventory levels due to declining consumer demand and the termination of the Yeezy partnership. The Executive Board informed us regularly about the measures taken to mitigate the negative effects on operational performance.

Furthermore, the Executive Board provided us regularly with comprehensive written reports for the preparation of our meetings. We thus always had the opportunity to critically analyze the Executive Board's reports and resolution proposals within the committees and within the entire Supervisory Board and to put forward suggestions before passing resolutions based on in-depth examination and extensive consultation. At the Supervisory Board meetings, the Executive Board was available for discussions and answering our

questions. In the periods between our meetings, the Executive Board also provided us with extensive monthly reports on the current business situation. We critically examined and scrutinized the information provided to us by the Executive Board.

MEETINGS OF THE SUPERVISORY BOARD AND ITS COMMITTEES

In the past financial year, the Supervisory Board primarily exercised its duties in plenary meetings. Members who were unable to participate in the meetings took part in the resolutions by submitting their votes in writing. In the year under review, the meetings of the Supervisory Board and its committees took place both as physical and virtual meetings. The latest videoconferencing technology was used to ensure an open and appropriate discussion between the Executive Board and Supervisory Board within the virtual meetings.

TYPE OF MEETING

	Virtual meeting	Physical meeting
Supervisory Board	6	3
General Committee	4	2
Audit Committee	1	3

The external auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, ('KPMG') attended all meetings of the Supervisory Board, with the exception of three extraordinary meetings, insofar as no Executive Board matters or internal matters of the Supervisory Board were discussed. Furthermore, KPMG attended all meetings of the Audit Committee.

In the periods between meetings, the Chairman of the Supervisory Board and the Chairman of the Audit Committee maintained regular contact with the Chief Executive Officer and the Chief Financial Officer, conferring on matters such as corporate strategy, business planning and development, the risk situation, control and risk management as well as compliance. In addition, the Chairman of the Supervisory Board and, as applicable, the entire Supervisory Board, were informed about events of fundamental importance for evaluating the situation, development, and management of the company, also at short notice, if required. The Chairman of the Supervisory Board regularly reported during meetings on discussions with the Executive Board outside the Supervisory Board meetings.

The Supervisory Board also met regularly without the Executive Board members, in particular to discuss internal affairs of the Supervisory Board as well as personnel and compensation matters relating to the Executive Board. The Audit Committee also follows the new recommendation D.10 of the Code and regularly confers with the auditor in the Audit Committee meetings without the Executive Board being present.

In this year under review, too, the participation rate of the Supervisory Board and its committees was consistently high, totaling approximately 96% (2021: approximately 98%) and thus exceeding the targeted minimum participation rate of 75%.

INDIVIDUAL MEETING PARTICIPATION OF THE SUPERVISORY BOARD MEMBERS

	Number of meetings	Participation	Participation rate
Members of the Supervisory Board as at December 31, 2022			
Thomas Rabe, Chairman	15	15	100%
Ian Gallienne, Deputy Chairman	15	15	100%
Udo Müller, Deputy Chairman	15	15	100%
Petra Auerbacher	9	9	100%
Birgit Biermann ¹	4	4	100%
Jackie Joyner-Kersey	9	9	100%
Christian Klein	9	6	67%
Bastian Knobloch	9	8	89%
Kathrin Menges	13	13	100%
Beate Rohrig	9	9	100%
Nassef Sawiris	9	9	100%
Frank Scheiderer	13	13	100%
Michael Storl ²	11	11	100%
Bodo Uebber	13	13	100%
Jing Ulrich	9	6	67%
Günter Weigl	13	13	100%
Member of the Supervisory Board until August 31, 2022			
Roland Nosko	7	7	100%

¹ Member of the Supervisory Board since September 1, 2022.

² Member of the General Committee since October 12, 2022.

TASKS AND TOPICS FOR THE ENTIRE SUPERVISORY BOARD

In the year under review, there were nine meetings of the entire Supervisory Board (2021: seven meetings).

The following subject areas were presented to us in detail by the Executive Board for regular discussion at meetings of the entire Supervisory Board: the development of sales, earnings, and the employment situation, the financial position of the company, and the development of the company's individual operations, brands, and markets. Furthermore, we focused on the impact of the geopolitical situation in Ukraine and the associated wind-down of business operations in Russia, the ongoing pandemic-related restrictions and the related slower recovery of the business in China, the elevated inventory levels due to declining consumer demand and the termination of the Yeezy partnership. Moreover, we thoroughly addressed supply chain challenges, the development of the market shares in the major markets and adidas' brand heat, also compared with our competitors. Additionally, we examined the development of e-commerce sales, the continued expansion of adidas' direct-to-consumer business, and the progress of the company's digital transformation. The status of the Reebok divestiture process was also regularly addressed and conferred on. We also discussed the annual and multi-year planning of the Executive Board. One of the focus topics in this respect was the implementation status of the long-term strategy 'Own the Game' that will run until the 2025 financial year. The growing importance of ESG-related topics and their regulation was also discussed regularly by the Supervisory Board. Finally, the Executive Board informed us about the implementation of the people strategy and the measures taken to foster and accelerate Diversity, Equity, and Inclusion at adidas. As regards personnel matters, the extension of the appointments of Roland Auschel and Brian Grevy

and the change in the Chief Executive Officer position from Kasper Rorsted to Bjørn Gulden were some of the main topics of consultation.

In accordance with statutory regulations or the Rules of Procedure, certain transactions and measures by the Executive Board require the prior approval of the Supervisory Board. The Supervisory Board discussed transactions requiring approval as they arose and gave its approval to resolution items after detailed reviews, in some cases based on preparations by the relevant committees. In addition, the Supervisory Board regularly discussed personnel and compensation matters with respect to the Executive Board as well as questions of corporate governance. ► [ADIDAS-GROUP.COM/S/COMPENSATION](https://www.adidas-group.com/s/compensation) ► [SEE DECLARATION ON CORPORATE GOVERNANCE](#)

At the February meeting of the Supervisory Board, the Executive Board reported on the company's situation and preliminary financial results for the 2021 financial year as well as the pandemic-related challenges in China and Vietnam. Moreover, we discussed the dividend and return policy of adidas AG, the M&A strategy, and the status of the Reebok divestiture. In this connection, in case of a successful divestiture of Reebok to the Authentic Brands Group, we approved to return the majority of the proceeds from the divestiture to the shareholders by way of another share buyback program. In addition to adidas' ESG targets, we also dealt with the Executive Board compensation. In this respect, having determined the degree of target achievement and having discussed in detail the individual performance of the Executive Board members, we set the variable compensation to be paid to the Executive Board members for the 2021 financial year. We also determined the appropriateness of the Executive Board compensation following an internal appropriateness test. In addition, we discussed the criteria and targets for the variable, performance-based compensation of the Executive Board members for the 2022 financial year. Furthermore, following a thorough consultation, we resolved the extension of the appointments of Roland Auschel and Brian Grevy as members of the Executive Board of adidas AG. Finally, we addressed corporate governance topics such as the adjustment of the Supervisory Board compensation and the adoption of the 2021 Compensation Report and the Declaration of Corporate Governance.

At the balance sheet meeting in March, the Executive Board reported on the financial results for the past financial year as well as on the audit of the 2021 annual financial statements and consolidated financial statements. Before the Supervisory Board passed its resolution, the auditor reported on the material results of the audit, including the results of the examination of the content of the non-financial statement commissioned by the Supervisory Board in accordance with § 111 section 2 sentence 4 of the German Stock Corporation Act (Aktiengesetz – AktG). After in-depth examination of the financial statements and on the basis of the independent auditor's report and the Audit Committee report on the audit results, the Supervisory Board approved the annual financial statements and consolidated financial statements as well as the combined Management Report including the non-financial statement for adidas AG and the adidas Group. The annual financial statements were thus adopted. The Executive Board also reported on the situation in Russia and Ukraine and the respective financial impact on adidas as well as on the security of and support provided for the employees there. In addition, the Executive Board reported on the company's current business situation, the outlook for the 2022 financial year, the challenges of the operating business in China and the planned mitigating measures. Furthermore, the Executive Board gave us an update on adidas brand topics and current marketing campaigns, key partnerships and the new operating business in the area of metaverse and NFT. The successful conclusion of the Reebok divestiture was another topic. Other topics of discussion included compliance and major legal disputes involving adidas. Moreover, we approved the Supervisory Board Report to the Annual General Meeting as well as the proposed resolutions to be submitted to the 2022 Annual General Meeting, including the proposal on the appropriation of retained earnings for the 2021 financial year. In addition, at the March meeting, we finalized the criteria and targets

for the variable, performance-based compensation of the Executive Board members for the 2022 financial year. The Supervisory Board was also given a comprehensive presentation of new product developments.

At the May meeting, we focused on the current business performance, the business situation in China, and the impact of the war between Russia and Ukraine. The Executive Board outlined the financial report for the first quarter of 2022 and reported on the revised outlook for the 2022 financial year reflecting the impact of the pandemic-related lockdowns in China. Furthermore, the Executive Board reported on the conclusion of a new, long-term strategic partnership with Foot Locker Inc. We were also given an update on adidas' market shares and the development of brand heat. In light of the ongoing share buyback program, we approved the Executive Board's adjusted resolution proposal on the appropriation of retained earnings and discussed the percentage of women on the Executive Board.

At the August meeting, we discussed, in particular, the Q2 and half-year results for 2022, the business situation in China, also compared with competitors, and the situation in Russia and Ukraine. The Executive Board also outlined the adjustment of the outlook for 2022 in view of the slower than expected recovery of the business in China. In this regard, we also discussed mitigating measures with the Executive Board. Furthermore, we received another update on adidas' market shares, the development of brand heat, marketing investments and their efficiency as well as on product innovations. Comprehensive and detailed reports were given on adidas' talent strategy and the topics of Tech and Data & Analytics. Furthermore, we discussed the amendments to the Code and their meaning for the company, and approved the court appointment of Birgit Biermann as new Supervisory Board member on the employee representative side due to the resignation of Roland Nosko with effect from August 31, 2022. Finally, the Supervisory Board was provided with training opportunities.

At an extraordinary Supervisory Board meeting in August, after a thorough discussion, we decided to follow the recommendation of the General Committee to approve the amicable termination of the appointment of Kasper Rorsted as Executive Board member of adidas AG in 2023 and the termination agreement to the Executive Board service contract. Furthermore, it was resolved to initiate the succession process.

The October meeting focused on the current business situation and the preliminary financial results for Q3 2022, the outlook for the year under review and the emerging challenges for the operating business, the planned Business Improvement Program, and the business development in China. In connection with the report on the situation in Russia and Ukraine, we approved the Executive Board's proposal to wind down business operations in Russia. Moreover, we approved the extension of the term and the increase of the commitments of the revolving credit facility. Furthermore, we discussed with the Executive Board our collaboration strategies with partners and received an update on the strategic orientation of the basketball business as well as a presentation of product innovations in this regard. We also thoroughly discussed the Yeezy partnership and the settlement of a legal dispute with a competitor. Following a report by our Supervisory Board member responsible for ESG about sustainability issues at adidas AG, in particular the 'share of sustainable articles offered' ('9 out of 10'), we addressed in detail the horizontal comparison of the Executive Board compensation, which had been conducted by an external compensation consultant. On this basis, the Executive Board compensation was assessed to be appropriate. In addition, the Supervisory Board elected Michael Storl as member of the General Committee. He succeeded Roland Nosko due to the latter's resignation from the Supervisory Board with effect from the end of August 31, 2022. We also discussed the results of the self-assessment (efficiency examination) of our work. Based on the self-assessment results, we derived selective measures to improve the Supervisory Board's work. In general,

the self-assessment results confirmed the high effectiveness of the work of the Supervisory Board and its committees.

At an extraordinary Supervisory Board meeting in October, after a thorough discussion, we followed the Executive Board's recommendation and approved the termination of the Yeezy partnership and the discontinuation of the production of Yeezy brand products.

Following in-depth consultations and upon recommendation of the General Committee, we resolved to appoint Bjørn Gulden as Executive Board member and Chief Executive Officer, each with effect from January 1, 2023, as well as the conclusion of his Executive Board service contract at our extraordinary Supervisory Board meeting in November. Moreover, we resolved, also upon recommendation of the General Committee, the amicable termination of the appointment of Kasper Rorsted as Executive Board member and Chief Executive Officer with effect from the end of November 11, 2022, as well as the appointment of Harm Ohlmeyer as Chief Executive Officer for the period from November 12, 2022, to December 31, 2022. Furthermore, we approved the issuance of non-share-based bonds with an aggregate amount of up to € 1,000,000,000.

At the December meeting, we focused on the preliminary Budget and Investment Plan for the 2023 financial year presented by the Executive Board as well as on the marketing and sponsorship agreements concluded in the year under review. After a thorough review, we approved the final Budget and Investment Plan presented to us for resolution in February 2023. Moreover, the Executive Board gave a comprehensive report on the implementation status of our strategy 'Own the Game,' including an overview on the current business situation and on the outlook for the year under review. We also discussed the Business Improvement Plan, the business situation in China, the status of the wind-down of business operations in Russia, and the Yeezy partnership. In addition, we dealt with the succession planning for the Executive Board, the assessment of the independence of the Supervisory Board members and resolved the Declaration of Compliance with the Code. Other topics were the resolution on the adjusted competency profile for the Supervisory Board prepared by the General Committee and thoroughly evaluated by the entire Supervisory Board as well as the adjustment of the Rules of Procedure of the Executive Board, Supervisory Board, and Audit Committee in view of the amendments to the Code. The Supervisory Board also resolved the necessary amendment to the Articles of Association to reflect the reduction of the nominal capital and the changed number of shares resulting from the cancelation of shares.

TASKS AND TOPICS FOR THE COMMITTEES

In order to perform our tasks in an efficient manner, we have established a total of five standing Supervisory Board committees. The committees prepare resolutions and topics for the meetings of the entire Supervisory Board. Within the legally permissible framework and in appropriate cases, we have furthermore delegated the Supervisory Board's authority to pass certain resolutions to individual committees. With the exception of the Audit Committee, the Chairman of the Supervisory Board also chairs all the standing committees. The respective committee chairmen report to the Supervisory Board on their work as well as the content and results of the committee meetings on a regular and comprehensive basis.

The **Steering Committee** did not meet in the year under review.

The **General Committee** held six meetings in the year under review (2021: four meetings). The main task of the General Committee was to prepare resolutions for the entire Supervisory Board on personnel and compensation matters of the Executive Board. In particular, it discussed the extension of the appointments

of Roland Auschel and Brian Grevy and the amicable termination of the appointment of Kasper Rorsted. Moreover, the General Committee comprehensively prepared the search for a successor to the Chief Executive Officer and the appointment of Bjørn Gulden. Regarding Executive Board compensation, the General Committee drafted proposals for resolutions on the targets, target achievement, and amount of the variable performance-related compensation, and pre-examined the appropriateness of the Executive Board compensation. Furthermore, the General Committee discussed in detail the compensation report and the long-term succession planning for the Executive Board. The adjustment of the Supervisory Board compensation and the horizontal comparison to ascertain the appropriateness of the Executive Board compensation were also prepared by the General Committee for the entire Supervisory Board.

The **Audit Committee** held four meetings in the year under review (2021: four meetings). The Chief Financial Officer and the auditor were present at all meetings and reported to the committee members in detail. The Audit Committee follows the recommendation of the Code and regularly confers with the auditor at Audit Committee meetings without the Executive Board being present.

In addition to the monitoring of the accounting process, the committee's work focused on the audit of the 2021 annual financial statements and the consolidated financial statements, including the combined Management Report and the non-financial statement of adidas AG and the Group, as well as the proposal regarding the appropriation of retained earnings. Following a detailed presentation of the audit reports by the auditor, the Audit Committee decided to recommend to the Supervisory Board to approve the 2021 annual financial statements and consolidated financial statements. Furthermore, the Audit Committee prepared the audit of the non-financial statement.

In the year under review, the Audit Committee dealt intensively with the continued development and monitoring of the effectiveness of the Risk Management System, the Internal Audit System, the Internal Control System, and the Compliance Management System. Other matters discussed in detail were the assignment of the audit mandate to the auditor appointed by the Annual General Meeting and the determination of the audit fees and key audit matters. In accordance with § 111 section 2 sentence 4 AktG, the Audit Committee furthermore commissioned the auditor with the audit of the content of the non-financial statement with limited assurance and, for the first time, with an audit with reasonable assurance of the statements on the 'share of sustainable articles offered' ('9 out of 10') KPI contained therein. In addition, the Audit Committee monitored the independence and qualification of the auditor, while also taking into account the non-audit services provided by the auditor. With regard to the quality of the audit, the Audit Committee determined on the basis of the auditor's report on its own quality assurance system, the findings of the German Auditor Oversight Body (Abschlussprüferaufsichtsstelle – APAS), and its internal quality review, that there were no indications of quality issues in the 2021 audit. Finally, the Audit Committee discussed the quarterly financial results and the half-year financial report. Furthermore, in the year under review, the Audit Committee had in-depth discussions about the transition regarding the external rotation of the auditor in 2023 and dealt thoroughly with the audit plan and risk management report. At each committee meeting, the Audit Committee was also informed about the findings and developments of the Internal Audit department as well as in the area of compliance.

Furthermore, the meetings of the Audit Committee covered topics such as data protection and information security, business partner due diligence, adidas Global Business Services as well as sustainability issues at adidas (including the Executive Board compensation target 'share of sustainable articles offered' – '9 out of 10'). Other topics were the German Supply Chain Act, the KPIs of the non-financial statement, and amendments to the Code. The provisions of the Corporate Sustainability Reporting Directive and the impact

of currency effects on the business of adidas, including the associated hedging strategy and pension obligations, were also discussed by the Audit Committee.

The **Nomination Committee** did not meet in the year under review.

As in previous years, the **Mediation Committee** to be established in accordance with the German Co-Determination Act (Mitbestimmungsgesetz – MitbestG) did not have to be convened in the year under review.

ELECTION AND COMPOSITION OF THE SUPERVISORY BOARD

The long-serving Supervisory Board member Roland Nosko resigned as employee representative from the Supervisory Board with effect from the end of August 31, 2022. With effect from September 1, 2022, and for the period until the end of the 2024 Annual General Meeting, Birgit Biermann was appointed by court as new employee representative on the Supervisory Board. This was also the reason for changing the composition of the General Committee, and Michael Storl was elected as new General Committee member with effect from October 12, 2022. ► **SEE SUPERVISORY BOARD**

The members of the Supervisory Board are individually responsible for undertaking any necessary training and further education measures required for their tasks. To assist them in their role, the company offered Supervisory Board members who joined the Supervisory Board during the year under review, or who assumed new responsibilities within the Supervisory Board, an introduction to the work of the Supervisory Board and/or to new areas of responsibility within adidas AG. The Supervisory Board members were given detailed resources on the business and subject areas that are relevant to their particular tasks. In addition, the Supervisory Board attended a company presentation that included the latest innovations and new product launches from adidas and its cooperation partners. Furthermore, the company regularly informs the Supervisory Board about current legislative changes and external training opportunities and provides the Supervisory Board with relevant specialist literature.

CHANGES TO THE EXECUTIVE BOARD

In August 2022, the Supervisory Board and Kasper Rorsted mutually agreed on the resignation of Kasper Rorsted from his position as Chief Executive Officer. In November 2022, the Supervisory Board appointed Bjørn Gulden as new Executive Board member and Chief Executive Officer with effect from January 1, 2023. In agreement with the Supervisory Board, Kasper Rorsted resigned from his position as Chief Executive Officer upon expiry of November 11, 2022, and left the company. Harm Ohlmeyer was appointed as interim Chief Executive Officer for the period from November 12, 2022, to December 31, 2022. Moreover, we extended the mandate of Brian Grevy, responsible for Global Brands, by five years effective February 2023 and the mandate of Roland Auschel, responsible for Global Sales, by two years effective January 2023 until December 2024. ► **SEE EXECUTIVE BOARD**

CORPORATE GOVERNANCE

The Supervisory Board regularly monitors the application and further development of the corporate governance regulations within the company, in particular the implementation of the regulations of the Code. The Supervisory Board and its committees discussed at their meetings the requirements of the German Stock Corporation Act and the Code in regard to corporate governance. Further detailed information on corporate governance within the company can be found in the Declaration on Corporate Governance. ► **SEE**

DECLARATION ON CORPORATE GOVERNANCE

Following an in-depth discussion, the current Declaration of Compliance pursuant to § 161 AktG was resolved upon by the Executive Board and Supervisory Board of adidas AG in December 2022 and was made permanently available on our website. ► [ADIDAS-GROUP.COM/S/CORPORATE-GOVERNANCE](https://www.adidas-group.com/s/corporate-governance)

In the year under review, there were no conflicts of interest among the members of either the Supervisory Board or the Executive Board. In the opinion of the Supervisory Board, the brand ambassador agreement between adidas International, Inc., and the Supervisory Board member Jackie Joyner-Kersey does not constitute a conflict of interest with regard to her role on the Supervisory Board.

EXAMINATION OF THE ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

The 2022 Annual General Meeting appointed KPMG as auditor and Group auditor for the 2022 financial year as proposed by the Supervisory Board and recommended by the Audit Committee. Prior to this, KPMG had confirmed to both the Supervisory Board and Audit Committee that there are no circumstances that could prejudice their independence as auditor or that could cast doubt on KPMG's independence. In this respect, KPMG also declared to which extent non-audit services were rendered for the company in the previous financial year or are contractually agreed upon for the following year.

KPMG audited the 2022 consolidated financial statements prepared by the Executive Board in accordance with § 315e of the German Commercial Code (Handelsgesetzbuch – HGB) in compliance with the International Financial Reporting Standards (IFRS), as they are to be applied in the European Union, and issued an unqualified opinion thereon. This also applies to the 2022 annual financial statements of adidas AG, prepared in accordance with the requirements of the German Commercial Code, and the combined Management Report of adidas AG and the adidas Group. Furthermore, at the request of the Supervisory Board, KPMG audited the non-financial statement. The financial statements, the proposal on the appropriation of retained earnings, and the auditor's reports of the annual and consolidated financial statements were distributed by the Executive Board to all Supervisory Board members in a timely manner.

The financial statements were examined in depth, with a particular focus on legality and regularity, in the presence of the auditor at the Audit Committee meeting held on March 6, 2023, and at the balance sheet meeting of the Supervisory Board on March 7, 2023, during which the Executive Board explained the financial statements in detail. At both meetings, the auditor reported on the material results of the audit, inter alia with regard to the audit focus points agreed as well as the key audit matters, and was available for questions and the provision of additional information. The auditor did not report any significant weaknesses with respect to the Internal Control and Risk Management Systems relating to the accounting process. Prior to the passing of the resolution, the auditor reported on the results of the audit of the non-financial statement with limited assurance as commissioned by the Audit Committee in accordance with § 111 section 2 sentence 4 AktG and the first-time audit with reasonable assurance of the statements on the 'share of sustainable articles offered' ('9 out of 10') KPI contained therein. In addition, the Supervisory Board discussed in depth and approved the Executive Board's proposal concerning the appropriation of retained earnings for the 2022 financial year.

Based on our own examinations of the annual and consolidated financial statements (including the non-financial statement), we came to the conclusion that there are no objections to be raised. Following the recommendation of the Audit Committee, the Supervisory Board therefore approved the audit results and the financial statements prepared by the Executive Board, including the non-financial statement, for the 2022 financial year. The annual financial statements were thus adopted. As the responsible audit partners,

auditor Angelika Huber-Straßer has signed the annual financial statements since the 2021 financial year and auditor Johannes Hanshen since the 2022 financial year.

KPMG has been acting as auditor and Group auditor for adidas AG since the 1995 financial year. On the basis of the transitional periods of Article 41 Regulation (EU) No. 537/2014, KPMG may not be reappointed as auditor after June 17, 2023. In the 2021 financial year, the Audit Committee had already conducted a tendering and selection process for a new auditor for the 2023 financial year in accordance with the requirements of Article 16 section 3 of the EU Audit Regulation. Based on the proposal prepared by the Audit Committee, the 2022 Annual General Meeting, upon proposal of the Supervisory Board, appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft as auditor and Group auditor for the 2023 financial year. Prior to this, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft had confirmed to both the Supervisory Board and Audit Committee that there are no circumstances that could prejudice their independence as auditor or that could cast doubt on the independence of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

EXPRESSION OF THANKS

On behalf of the entire Supervisory Board, I would like to thank the long-serving Supervisory Board member Roland Nosko, who resigned during the year under review, for his tremendous dedication to the company and his exceptional work on the Supervisory Board. Furthermore, I wish to thank the current Executive Board and all our employees around the world for their great personal dedication and ongoing commitment. I would also like to express my gratitude for the enduring trust and cooperation between the employee and shareholder representatives on the Supervisory Board.

Moreover, I would like to thank Kasper Rorsted, who resigned from the Executive Board in mid-November, for his achievements for the company during the past six years. He strategically repositioned the company and fast-forwarded its digital transformation. In North America, the world's largest sporting goods market, adidas has doubled its sales during his term of office since 2016. In addition, with Kasper Rorsted at the helm, adidas has strengthened its leadership position in sustainability and increased Diversity, Equity, and Inclusion throughout the company. We would like to express our gratitude and respect for these achievements.

For the Supervisory Board



THOMAS RABE

CHAIRMAN OF THE SUPERVISORY BOARD

March 2023

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