

PROGRESS AGAINST 2010 TARGETS

- 100% Target achieved
- 75% Target largely achieved
- 50% Target half achieved
- 25% Target partly achieved
- 0% Target not achieved

Key Targets 2010	Comments	Target Achievement
ENVIRONMENTAL SUSTAINABILITY		
Develop a Group Environmental Strategy 2015.	The Group Environmental Strategy was finalised and launched. The Strategy encompasses all business functions and brands and sets several quantitative and qualitative targets through to 2015.	100%
Map and roughly calculate the environmental footprint of our whole value chain.	Project scope and boundaries were defined for the mapping exercise; calculation to be carried out in early 2011.	25%
Launch the environmental supply chain programme.	The programme was launched at the beginning of 2010 and includes Environmental Guidelines, audit tools and audit coverage. The tools include audit checklists and remediation guidelines.	100%
Achieve ISO 14001 ¹ certification for Group and brand headquarters' sites.	Environmental management systems (EMS) of major sites in North America (Portland, Canton, Carlsbad, Spartanburg, Montreal) and at the adidas Group level obtained ISO 14001 certification (certification scope: the planning, operation and maintenance of buildings). Certification audit of the EMS of adidas Group facilities in Herzogenaurach, Germany, is scheduled to take place in 2011.	75%
Meet annual Green Company milestones for own sites.	Reporting data for 2009 was completed, reported and evaluated to fulfil this target.	100%
Expand Green Team network globally.	Nine Green Teams were in place in 2010. Green Teams organised events on Earth Day, April 22, 2010.	50%
SOCIAL COMPLIANCE IN THE SUPPLY CHAIN		
Systems and Guidelines		
Enable a seamless transition to using the tools developed by the multi-brand Sustainable Compliance Initiative (SCI).	SCI data management platform is being developed by the Fair Labor Association (FLA), but IT execution is experiencing delays.	25%
Complete and launch revised social compliance key performance indicator (KPI).	The KPI template and its function have been upgraded and several indicators were added. In addition, the tool has a link to the Global Sourcing organisation's supplier performance evaluation to bring about higher consistency. The revised tool has been launched and is being used.	100%
Drive forward partnership and collaboration with brands and other stakeholders.	Maturing strongly with other brands and FLA participating companies and suppliers. It includes the harmonisation of remediation plans and joint field activities.	75%
Direct Sourcing Model		
Direct monitoring efforts to drive better supplier performance.	Self-governance concept has been launched for the higher performing suppliers (4C and 5C-rated suppliers), and Standard Operating Procedures (SOP) as well as briefing materials have been developed. Briefing to suppliers was completed by end of 2010. Full implementation will take place in 2011.	75%
Drive efficiencies in monitoring coverage.	Programme activities were redefined based on suppliers' KPI scores. Suppliers were notified of the need to upgrade the performance of 1C factories. Focus was on risk management of 2C factories and performance assessment of 3C factories. The services of external monitors were used for audits where internal resources were lacking. A capacity building programme is being developed for 2C and 3C factories to improve their performance.	75%

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41	SUPPLIERS
57	EMPLOYEES
64	COMMUNITY
72	PERFORMANCE
102	GRI INDEX

Key Targets 2010	Comments	Target Achievement
Indirect Sourcing Model		
Extend the range of service capabilities (action plan development, KPI assessments) of external monitoring providers.	All external monitoring companies are now developing corrective action plans. Only two external monitoring companies are qualified to complete KPI assessments.	50%
Drive business entities' accountability for compliance through the expanded use of report cards.	This area of work is maturing well. Report cards have been developed for 55 business entities.	100%
ENGAGEMENTS		
Continue dialogue with critical stakeholders and use the results to improve our programme.	There has been extensive and ongoing engagement with key stakeholders, in particular over employment concerns, minimum wages, trade union rights, supply chain transparency and other systemic issues. In some cases these drove programmatic changes.	100%

¹ ISO 14001 is an international standard for environmental management systems, which commits a company to seeking continuous improvements in its environmental performance. To become certified, a company's environmental management system needs to be checked by accredited auditors.