

01	ABOUT OUR PROGRAMME
17	ENVIRONMENT
41	SUPPLIERS
57	EMPLOYEES
64	COMMUNITY
72	PERFORMANCE
102	GRI INDEX

TARGETS

ENVIRONMENT

Target area	2015 Targets	2011 Milestones
MANAGEMENT PROCESSES		
	Overall target – develop a management system that ensures a successful strategy implementation as well as an effective management of environmental impacts, risks and opportunities.	Develop a format for guidelines and tools.
BUSINESS PROCESSES		
Innovation	All future innovation projects to contain some environmental elements.	Develop partnerships with suppliers.
Design	50% reduction in used colours within the adidas Sports Performance division (excluding colours required by clubs or otherwise outside the control of Design).	Consolidate colours by 20% in apparel and 40% in footwear.
Marketing	<ul style="list-style-type: none"> 100% of footwear and an increasing amount of apparel to have 'more sustainable content' (by 2012), i.e. to be included into the Better Place product range (applicable to the adidas Sports Performance division). Reduce number of ranges as a whole by 20% (adidas Sports Performance division). Virtualisation project to drive reduction in samples. 	Revise Better Place Guidelines to ensure alignment with the Eco Index and the Index developed by the Apparel Coalition.
Development	<ul style="list-style-type: none"> 20% reduction in colour-material combinations. Optimise packaging solutions. 	<ul style="list-style-type: none"> Establish baseline measurements and KPIs. Increase number of more sustainable materials in toolboxes for apparel and footwear. Review packaging status and define 2015 targets.
Sourcing	<p>A detailed Environmental Sourcing Strategy has been developed that builds on the following three steps:</p> <ol style="list-style-type: none"> Risk mitigation Performance improvement Collaboration <ul style="list-style-type: none"> 'Better Cotton' ('Sustainable Cotton') use: 40% by 2015, 100% by 2018 of all cotton used. Establish full traceability of more sustainable materials (apparel products) by 2014. Extend environmental assessments to selected supplier groups. Establish an industry-wide recognised audit protocol and certification scheme for dye house facilities in collaboration with other brands and associations. 10-15% cut in energy emissions by product output at core suppliers. Leather tanneries: 100% of non-Europe tanneries to achieve Leather Working Group (LWG) Silver or above rating (based on the LWG audit protocol). Implement Green Design requirements for new buildings at suppliers. 	<ul style="list-style-type: none"> Introduce 'Better Cotton' into the adidas Group supply chain. Conduct environmental assessments of high-risk suppliers. Review environmental audit tools in the light of external initiatives. At least 80% of the value of leather sourced from non-Europe tanneries to be from Gold Standard tanneries (based on the LWG audit protocol). Review design and construction reports prior to approval.

01	ABOUT OUR PROGRAMME
17	ENVIRONMENT
41	SUPPLIERS
57	EMPLOYEES
64	COMMUNITY
72	PERFORMANCE
102	GRI INDEX

Own Operations	<ul style="list-style-type: none"> • 20% relative reduction in energy consumption • 30% relative reduction in carbon emissions • 20% water savings/employee • 25% waste reduction/employee. <p>See a full list of Green Company targets at http://www.adidas-group.com/en/sustainability/assets/progress_targets/Green_Company_targets.pdf</p>	<ul style="list-style-type: none"> • Strengthen implementation plan to meet annual saving targets. • Refine ISO 14001 environmental management system. • Strengthen and expand engagement with Green Teams. • Certify the adidas Group headquarters site 'World of Sports' to the ISO 14001 standard. • Develop a Group 'Green car' policy.
Sales	<ul style="list-style-type: none"> • Develop strategic sustainability alliances with key customers in all key markets. • Own retail stores: 5-15% savings of resources [applicable to Western Europe market]. 	<ul style="list-style-type: none"> • Pilot partnership with one key account. • Develop toolbox of different approaches for strategic partnerships with wholesalers. • Develop global saving targets for retail outlets. • Develop new lighting concepts for retail stores. • Pilot greener energy sources. • Pilot paper-saving options.

SUPPORT PROCESSES

Communication	Create awareness and engage employees by driving messaging through internal communication channels.	
Human Resources	<p>Integrate environmental sustainability into global HR programmes:</p> <ul style="list-style-type: none"> • Drive awareness and activation of Environmental Strategy. • Develop ambassadors for environmentally responsible behaviour. • Drive Group-wide awareness and top management involvement. 	<ul style="list-style-type: none"> • Develop training and e-Learning courses. • Set HR-relevant targets for environmental achievements by management functions. • Run employee events supported by senior management.
IT	<p>Reduce the environmental footprint of IT infrastructure 20% through the following initiatives:</p> <ul style="list-style-type: none"> • 80% of all PCs to have 'green' power management options. • 30% less energy consumption of PCs. • 100% of requests for proposals to evaluate 'green' performance of possible vendors. • Virtualisation of servers/data centre consolidation. 	<ul style="list-style-type: none"> • Decommission more than 40 physical systems and/or virtualise them. • Improve the physical-to-virtual ratio by at least 11%. • Focus on energy efficient infrastructure solutions.

01	ABOUT OUR PROGRAMME
17	ENVIRONMENT
41	SUPPLIERS
57	EMPLOYEES
64	COMMUNITY
72	PERFORMANCE
102	GRI INDEX

SOCIAL COMPLIANCE IN THE SUPPLY CHAIN (LABOUR, HEALTH & SAFETY)

2015 Targets	2011 Milestones
<ul style="list-style-type: none"> 80% of direct supplier factories to meet '3C' (good) or better under our social compliance KPI rating. 25% of direct suppliers to be in a self-governance compliance model (where they take responsibility for their own performance) that includes reporting of key social and health and safety indicators. Common industry-wide monitoring platform used to check workplace conditions. Strategic suppliers to have transparent reporting practices about their sustainability performance in place. Scorecards for business units and intermediaries managing our indirect suppliers to achieve an average performance rating of 70% or higher. 	<ul style="list-style-type: none"> Tackle the lowest performers by improving 1C-rated suppliers to a minimum rating of 2C and exit those suppliers that do not meet this grade. Promote the mainstreaming of the FFC as an industry-wide tool for compliance collaboration and harmonised activities. Integrate the next generation of monitoring tools by benchmarking our tools and practices against those of other brands in key industry alliances, such as the FLA and GSFCP. Address external requirements for transparency and disclosure: <ul style="list-style-type: none"> Fulfil LOCOG requirements and contract obligations on supplier disclosure and SEDEX uploads. Publicly disclose Olympic supplier list from mid-2011 and update quarterly to ensure it is current and accurate. Drive efficiencies and effectiveness in the monitoring and improvement of workplace conditions by leveraging our partnerships and collaborations with selected brands, multi-stakeholder initiatives and other stakeholders by: <ul style="list-style-type: none"> Promoting the harmonisation of Corrective Action Plans at a factory level through brand collaborations and engagement with key suppliers. Completing a Fair Wage pilot in collaboration with FLA and ILO by prototyping in the Philippines and Central America. Drive business entities' accountability for their supply chains' compliance performance by: <ul style="list-style-type: none"> Expanding the number of Strategic Compliance Plans (SCP) and Report Card assessments. Launching an environmental component to the SCP.

EMPLOYEES

2015 Targets	2011 Milestones
<ul style="list-style-type: none"> Leadership Excellence – Our leadership culture is recognised as best-in-class by our employees and the external business world. Talent acquisition – We become a world-class talent acquisition organisation that utilises branding, strategic search and internal recruiting excellence to ensure the continuous pipeline of top talent required to achieve business objectives. Learning Organisation – Our learning strategy and opportunities support our employees to help them achieve their targets, deliver high performance and set the basis for efficiency and innovation. Learning is a key performance driver within the adidas Group and ensures the fitness of our employees. 	<ul style="list-style-type: none"> Based on the findings of the global employee survey, drive the engagement R2A ("Results To Actions") process in all business areas to further improve employee engagement. Focus on the activation of our concepts and tools that constitute our HR foundation and help us to become the employer of choice.