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### 1. Objective

This Policy defines adidas global understanding, position, and handling of compliance issues related to Bribery and Corruption, Gifts and Entertainment, Fraud and Theft, Antitrust and Competition Law, Conflicts of Interest and Non-Retaliation. This Policy also provides procedures to be applied if an Employee violates this Policy, the Fair Play Code of Conduct, or other adidas policies.

### 2. Terms and Definitions

Capitalised terms are defined in **Annexure A**.

### 3. Scope

This Policy applies to all Employees.

### 4. Employee Representative Bodies

All rights of local employee representative bodies (e.g., works council) are to be respected.

### 5. Anti-Bribery and Corruption

#### 5.1 Fundamental rule

adidas strictly prohibits all acts of Bribery and Corruption, regardless of the identity or position of the parties involved: adidas does not and will not engage in Bribery or Corruption or any activities that could be perceived as such. This means that all Employees have to abstain from any acts of Bribery or Corruption, whether direct or indirect via the means of any intermediaries.

#### 5.2 More specific rules

adidas has established additional rules for certain areas. These rules prevail over this policy to the extent they are more specific.

<i>Activity</i>	<i>Primary Policy</i>
Corporate giving/donations and political contributions	Corporate Giving Guidelines
Promotional contracts and sponsorships	adidas Reebok Global Sports Marketing and EIM Policy

Non-trade (indirect) procurement (non-trade goods/services)	Group Non-Trade Procurement Policy
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## 6. Gifts and Entertainment

### 6.1 Standards for Gifts and Entertainment

Employees have to handle any Gifts and Entertainment carefully with due consideration of Bribery and Corruption risks as well as potential Conflicts of Interest. Employees have to consider and ensure that they only give or accept Gifts and Entertainment that are:

- in line with all external and internal legal requirements and policies that are applicable to both the giver and the receiver; this requires particular review when the recipient is a Public Official or a family member of a Public Official;
- supported by a legitimate business reason which can never be the intention to improperly influence the receiver’s decision-making;
- reasonable and appropriate in the concrete situation;
- in good taste and delivered or occur at an appropriate business venue; and
- without obligation, i.e. not create the expectation of a commercial or other favour in return.

The following types of Gifts and Entertainment may never be offered or received:

- Cash payments or cash equivalents;
- Inadequately favourable employment or contract conditions; or
- “Adult” entertainment.

### 6.2 Handling of Gifts and Entertainment

#### 6.2.1 Giving

Employees have to register all Gifts and Entertainment given by them in the applicable expense tool. This registration obligation does not apply to Gifts and Entertainment that are accounted for in the budgets of Global Sports Marketing or Entertainment & Influencer Marketing.

Local laws, employment contracts, and other internal regulations may ordain stricter requirements, e.g. a required pre-approval.

#### 6.2.2 Receiving

Employees have to register all Gifts and Entertainment they receive that have a value equal to or exceeding €100.00 (including sales tax) in the global Fair Play Gift and Entertainment Register or the local Gift and Entertainment register (as applicable – see Fair Play App on adidas a-LIVE

intranet). If several Gifts and Entertainment received by an Employee within a calendar year from the same person or other persons acting on behalf of the same company/organisation cumulatively exceed this threshold, the Employee needs to register each of them.

The Compliance Organisation may grant exceptions from this registration obligation for individual Employees considering their specific functions for adidas (for further information please contact the policy contact as stated in Section 16).

### **6.2.3 Donation of Gifts and Entertainment received**

adidas encourages all Employees to donate any Gifts and Entertainment received in their function as an Employee to a charity in accordance with adidas Corporate Giving Guidelines.

## **7. Anti-Fraud and Theft**

adidas strictly prohibits all Fraud and Theft.

To avoid Fraud and Theft every Employee is, amongst others, required to:

- respect and safeguard adidas or other people's property;
- make adequate and appropriate use of adidas or other people's property in all business activities, e.g. appropriately handling samples or event tickets in line with any more specific requirements;
- comply with established rules and controls to prevent and detect Fraud or Theft; and
- be alert to unusual business activities or transactions that could be an indication of Fraud or Theft.

## **8. Antitrust Law**

adidas strictly prohibits all Anti-Competitive Practices. adidas does not and will not engage in Anti-Competitive Practices or any activities that could be perceived as such. All Employees have to abstain from any such activities. When in doubt, they shall seek prior guidance from the Compliance Organisation.

### **8.1 Interaction with competitors**

Employees must not engage in any interactions with competitors (horizontal interactions) that aim to restrict competition in the Relevant Market in a manner violating applicable antitrust laws.

#### **8.1.1 Fundamental rule**

Employees may not engage in any agreement, alignment, exchange of information, or coordination with competitors on prices, purchase or sales volumes, markets (or segmenting thereof), customers, technical solutions/standards, or other factors relevant for competition, irrespective of whether the agreement is formal or informal or even not implemented. Also, any indirect interaction

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with competitors, e.g., by passing on or receiving information via suppliers, customers, consultants, agents, or any other persons, may violate this prohibition.

### 8.1.2 Critical topics

Prohibited agreements or 'industry solutions' on prices, sales volumes, markets, customers, technical solutions/standards, or other factors relevant for competition may concern (*not exhaustive*):

- **Pricing:** actual prices (past, present and proposed), pricing policy, margins, price levels, price differences, price changes, and all other aspects of pricing;
- **Sales territories:** focus countries or regions, store locations, or any other geographical strategies;
- **Customers:** customer groups, specific organisations, or other customer segmentations;
- **Trade terms:** discounts and rebates, discount policy, delivery terms, payment terms and any other aspect of individual trade terms;
- **Sales and strategy:** Sales by volume or value, market shares, marketing plans, advertising budgets or strategy, new product launches, withdrawals, boycotts of certain business partners;
- **Production:** current or future production capacity, stock levels, plans for increasing or reducing capacity, costs of production; or
- Cost structures, technologies, research and development programs, quality standards, or investments.

### 8.1.3 Direct competitor interaction

Any contact with competitors to discuss the aforementioned competition aspects even on an informal/social level may be cause for antitrust concerns – this even applies to a one-off disclosure of commercially sensitive information to competitors or receipt of such information from a competitor. If competitors approach an Employee with such intent, the Employee have to seek to avoid such discussion and, if unsuccessful, decline participation or attendance and contact the Compliance Organisation. Where practically feasible, the Employee should seek to have the objection documented. It may also constitute a breach of antitrust regulations if an Employee seeks to obtain any sensitive information from another Employee that has formerly held a position within a competitor.

### 8.1.4 Trade associations and other business community events

Trade associations and other business community events as well as decisions or recommendations stated in such fora may lead to illegal agreements or alignments restricting competition. Employees need to use utmost caution when considering their attendance at such events. Where in doubt about attendance or required conduct, Employees shall align with the Compliance Organisation. If an Employee is approached by any competitor to engage in any behaviour that may restrict competition

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during such a meeting the Employee have to seek to avoid such behaviour and, if unsuccessful, has to abort the discussion and contact the Compliance Organisation. Where practically feasible, the Employee should seek to have the objection documented.

## 8.2 Interaction with suppliers or customers

Employees must not engage in any interactions with suppliers (vertical interactions) or customers that aim to restrict competition in their respective Relevant Market in a manner violating applicable antitrust and competition laws.

### 8.2.1 Fundamental rule

Agreement, alignment, or coordination with suppliers, or customers on factors that imply a forbidden restraint of competition in their respective markets is prohibited, irrespective of whether the agreement is formal or informal or even not implemented. In addition, any indirect interaction, e.g., by passing on or receiving information via consultants, agents, or any other person, may violate this prohibition.

### 8.2.2 Specific rules for Distribution Partners (wholesale and franchise)

In relation to Distribution Partners, Employees must not (*not exhaustive*):

- proscribe resale, minimum price or other commercial conditions (e.g., marketing, layout, planograms) in a manner exceeding a non-binding recommended retail price (rrp);
- incentivise the following of pricing recommendations by offering undue advantages (incl. commercial or personal advantages of any kind) or applying any other means of pressure for this purpose;
- prohibit or limit the Distribution Partner's commercial conditions of sale in a way limiting competition;
- proscribe or make recommendations regarding sale conditions or marketing of non-adidas products;
- request or accept sensitive information, e.g., on future pricing, current selling prices, margins or discounts (information on stock levels or sales may generally be acceptable if only used within wholesale teams); utmost importance and prior approval from the Compliance Organisation is needed if any sensitive information is transferred to teams who work in competition to adidas wholesale customers (namely: DTC channels/teams); or
- restrict parallel trade, i.e. restrict or incentivise against exports or imports.

Exceptions to these rules, only if permissible under the applicable laws, require the prior approval of the Compliance Organisation.

### **8.3 Abuse of market dominance**

Employees must not engage in any activities that may constitute an abuse of market dominance (using a strong market position to achieve certain effects, e.g. asking a wholesale customer to de-list competitor products or else ending deliveries of adidas product) in a manner violating applicable antitrust laws. As the assessment of market dominance varies significantly across jurisdictions and Relevant Markets, Employees have to seek advice from the Compliance Organisation in the case of suspicions in this regard.

### **8.4 Merger control**

Concentrations of businesses such as mergers or joint undertakings or ventures may impede competition in the concerned markets. When pursuing any concentration or merger activities, Employees have to seek advice from the Compliance Organisation.

### **8.5 Dawn raids and investigations**

Antitrust and competition law concerns may trigger unannounced investigative activities to be conducted by authorities ('dawn raids'). In such cases, Employees shall consult and adhere to the guidance provided in the Dawn Raid Manuals or Dawn Raid Quick Reference Guides provided across adidas locations.

## **9. Conflicts of interest**

### **9.1 Fundamental rule**

Employees have to avoid potential, actual and perceived Conflicts of Interest in their professional activities. For this purpose, they need to regularly consider the relationships between their private interests and business duties. Where they cannot avoid Conflicts of Interest, they need to disclose and manage them appropriately as specified below.

### **9.2 Specific situations**

Specific business situations are particularly prone to create situations of Conflicts of Interest. Employees therefore need to be particularly mindful of potential Conflicts of Interest when:

- they interact, in their professional role at adidas, with any Closely Related Person, e.g., regarding business activities, recruiting, personnel management, Gifts and Entertainment, or assigning benefits; or
- they personally or any of their Closely Related Persons have any kind of paid or unpaid engagement with or financial or non-financial interest in a company in a business relation (e.g., procurement or distribution) or competition with adidas.

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### 9.3 Disclosing and Managing Conflicts of Interest

Where Employees cannot avoid Conflicts of Interest, they need to disclose them to their line manager, e.g., using the Conflict of Interest Disclosure Form published on the Fair Play a-LIVE app. As appropriate, Human Resources should be informed.

The Employee and line manager shall cooperate to agree on adequate means to manage the Conflict of Interest with the goal to ensure that the situation does not compromise the judgement, obligations or commitment of the concerned Employee to adidas. Measure may include (*not exhaustive*)

- restricting the involvement of the concerned Employee in the business activities creating the Conflict of Interest;
- intensified supervision of the Employee's activities in the matter or ad-hoc creation of a four-eye principle;
- withdrawing from the personal or Closely Related Party's involvement (financial or other) in the company doing business with or in competition with adidas; or
- as an ultimate means, suspending or terminating the Employee's employment with adidas.

Where necessary or appropriate, the line manager shall consult Human Resources and/or the Compliance Organisation for advice. All involved persons and departments shall treat the information regarding the Conflict of Interest on a confidential need-to-know basis.

## 10. Non-Retaliation

### 10.1 Fundamental rule

adidas strictly prohibits any Retaliation. All Employees are required to abstain from Retaliation.

### 10.2 Protection of persons reporting suspected or actual Compliance Incidents or other concerns

adidas will apply reasonable means to protect any person against Retaliation who has reported a suspected or actual Compliance Incident or other concern in good faith and without breaching any applicable requirements. This applies irrespective of whether the reported Compliance Incident turns out to be valid or not.

The Compliance Organisation will – in alignment with the involved business or other corporate functions as appropriate – decide on reasonable measures on a case-by-case basis. This may include, *amongst others*, need-to-know confidentiality, use of external meeting facilities or secured communication media, physical relocation or protection, involvement of public authorities, collaboration with Human Resources to avoid disciplinary action or other adverse employment consequences.

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## 11. Policy Compliance and Consequence Management

### 11.1 Fundamental rule

The Compliance Organisation, Human Resources, and – as appropriate – other functions collaborate to ensure that adequate consequences are agreed and executed after confirmed Compliance Incidents. All rights of local employee representative bodies (e.g., works council) are to be respected in this regard. Standards, procedures, and responsibilities for dealing with suspected and actual Compliance Incidents are set forth in the Compliance Management Policy and the Compliance Incident Investigation and Management Manual.

In addition, Compliance Incidents may also constitute violations of external legal, regulatory, or administrative requirements by the concerned Employee(s) and can result in criminal, civil, or regulatory penalties including fines and/or terms of imprisonment.

### 11.2 General standards

#### 11.2.1 Consequence management

Depending on the seriousness of a Compliance Incident and any consequent implications, adidas applies appropriate corrective measures. Disciplinary action can take place in the form of punishing measures or mitigating activities aiming at correcting behaviour. Disciplinary action is always subject to applicable laws and shall be substantively and procedurally fair. Penalties or sanctions shall be applied consistently and be appropriate for the contravention of the applicable rule.

#### 11.2.2 Confidentiality

Disciplinary matters will be handled with as high a degree of confidentiality as is practicable and only on a need-to-know basis. Confidential records of disciplinary matters will be kept in the Employee's personnel file in accordance with applicable data protection legislation.

#### 11.2.3 Standards for consequence determination

At all times, mitigating and aggravating factors have to be considered to ensure a fair and consistent approach. The Compliance Organisation will consider the following elements (*not exhaustive*): potential damages, motivation, seniority/job grading, experience, history, complicity as well as the level of participation, duration of infringement, admission, support of the investigation and reporting of the incident.

As a general rule, Compliance Incidents are classified as minor offences, misconduct, or gross misconduct. Non-binding examples are available on the Fair Play a-LIVE app.

- In case of a minor offence, the Employee shall be counselled and/or issued with a verbal warning.

- In case of misconduct or even gross misconduct, adidas triggers a formal disciplinary process that will, if confirmed, typically lead to a first or final formal warning. Depending on the seriousness, additional sanctions will be imposed which may include demotion, bonus reduction or forfeiture, freeze on upcoming promotions for a defined period, dismissal or other forms of employment discontinuation.

## 12. Training

Needs oriented training on specific areas of this Policy will be offered under the authority of the Compliance Organisation as set forth in adidas Fair Play Compliance Training Plan. Employees shall complete all mandatory compliance trainings in a timely manner.

## 13. General Roles and Responsibilities of All Employees and Managers

Employees are individually responsible for making sure that they comply with this Policy, the Fair Play Code of Conduct, and all other adidas policies (all including, for the avoidance of doubt, the applicable external legal requirements). They shall support the Compliance Organisation as necessary and requested without undue delay and to the utmost of their ability. When faced with any suspicions of activities that do or would constitute a Compliance Incident, they are encouraged to communicate this to adidas. When involved in investigations they shall strive to ensure its confidentiality.

Managers additionally have to instruct, support, and oversee the compliance of their reports with this Policy, the Fair Play Code of Conduct, and all other adidas policies.

## 14. Stricter Laws, Contracts, or Other Internal Regulations

Stricter local laws, employment contracts, and other internal regulations prevail over this Policy.

## 15. Policy Governance

The Chief Compliance Officer is accountable for this Policy. As a core element of the adidas Compliance Management System, it is approved by the adidas Executive Board.

## 16. Policy Contact

For any questions or further information about this Policy, please contact Compliance Management.

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## Annexure A – Terms and Definitions

**adidas:** group of companies as listed in the section “Shareholdings” in the section “Consolidated Financial Statements” of adidas most current Annual Report of adidas AG as published on adidas investor relations website (<https://www.adidas-group.com/en/investors/financial-reports/>).

**Anti-Competitive Practice:** activities restricting competition in Relevant Markets in violation of applicable antitrust laws, typically in the form of horizontal (with competitors) or vertical (with suppliers or customers) agreements or coordination, abuse of dominance, or creation of unacceptable market dominance by means of business concentration.

**Anything of Value:** cash payment or other items of value such as assets, services or favours of individual value for the recipient. This may include but is not limited to travel, meals, hospitality, events, preferential treatment, access rights, product or discount coupons, no-bid arrangements or other means of by-passing commercial tender processes, favourable employment, internships or other forms of employment for family members, or overpaying of purchases.

**Bribery:** direct or indirect active (offering, promising, giving) or passive (soliciting, accepting) use of Anything of Value as an inducement for an action or the omission of an action of the recipient awarding an unfair preference to the active side or a third party in a business transaction. This includes Facilitation Payments and indirect means of using an intermediary, e.g. (*not exhaustive*), agent, consultant, distributor, supplier, or joint venture partner.

**Closely Related Persons:** family members of, persons living in the same household or residential community as, or persons with friendship relationships with the Employee.

**Compliance Incident:** violation of this Policy, the Fair Play Code of Conduct, or any other adidas policy.

**Compliance Organisation:** Chief Compliance Officer, Compliance Management, Regional Compliance Managers and Local Compliance Officers.

**Conflict of Interest:** situation in which an individual’s personal or private interests or relationships could or do compromise or could appear to, compromise, his/her judgement, obligations or commitment to adidas.

**Corruption:** misuse of a public or private office or power for private gain.

**Distribution Partner:** wholesale or franchise business partner; for the avoidance of doubt, this comprises adidas selective distribution system.

**Employee:** individual employed by adidas (whether permanent, fixed-term or temporary) including but not limited to members of adidas Executive Board, trainees, seconded staff, homeworkers, casual workers, volunteers, and interns.

**Facilitation Payment:** payment to a Public Official intended to inappropriately further routine non-discretionary government actions, e.g. (*not exhaustive*), visa or customs processing, scheduling an inspection, securing mail pick-up or delivery, or having utilities connected.

**Fraud:** impairment of the property of another party (individual or legal entity, e.g., adidas) by deceiving that party with the intent to obtain an unlawful or otherwise undue benefit for oneself or a third party (e.g., adidas or a family member); may comprise (*not exhaustive*):

- falsification, forgery, alteration, destruction or removal of documents and records such as costs, invoices, or expenses;
- violation of accounting rules to alter financial statements or other assessments;
- blackmail or extortion; or
- paying of intentionally undue and excessive prices or fees to third parties.

**Gifts and Entertainment:** Anything of Value given to or received from a person outside adidas without legal obligation.

**Manager:** Employee with accountability for the work of other Employees (reports).

**Policy:** this Compliance Policy.

**Public Official:** any officer or employee of a government department, agency, or public instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such body.

**Relevant Market:** comprises all products that are regarded as interchangeable or substitutable by a consumer or supplier by reason of the products' characteristics, their prices and their intended use. Products in the same Relevant Market directly compete with each other.

**Retaliation:** negative action, e.g. of disciplinary or actual nature, against a person for the reason that this person has reported a suspected or actual Compliance Incidents or other concern in good faith and without breaching any applicable requirements.

**Theft:** unrightfully taking another party's (individual or legal entity, e.g., adidas) property or other resources with the intent to appropriate them for oneself or a third person.