

INTERVIEW

The business of sustainability: talking targets with adidas

The apparel sector is a minefield when it comes to communicating sustainability, so we sat down with Marwin Hoffmann, adidas' Senior Director of Sustainability Strategy, to discuss how the leading brand is steering the company towards a brighter and greener future with clear targets, a bold strategy, and exceptional communication with external stakeholders.

*Interview with: Marwin Hoffmann
Senior Director – Sustainability Strategy, adidas*

Q How did the pandemic affect your approach – considering you presented the “Own the game” strategy in early 2021, in the midst of a period of unprecedented upheaval? How have the dynamics around sustainability changed (or even stayed the same!) inside adidas and with your stakeholders?

MH The pandemic was an unprecedented event and while it did affect business it didn't affect our global sustainability ambitions.

adidas is still as committed in our efforts to help end plastic waste and we have continued to invest in sustainability initiatives during the coronavirus pandemic.

┌ Engagement and dialogue have long been hallmarks of your approach to sustainability. Given we've all had to turn to digital tools over the past 18 months or so, what have you found to be the best way to keep listening to your stakeholders: what's working well and where are you facing challenges?

MH As the world had to adopt digital means to connect, adidas had to develop methods of connecting our communities digitally so they could still take part in events they loved. Run For Oceans, our global movement in collaboration with Parley For The Oceans aims to empower runners around the world to run against marine plastic pollution.

Due to ongoing safety measures, our Run For The Oceans event could not be held as a group and many of our adidas Runners communities were not able to come together. As a result we looked digitally on how to inspire and empower our community to unite around a common goal and support the oceans through sport.

We focused much of our efforts on how to engage and activate our event through run tracking apps such as our adidas Running App and other apps such as Strava and JoyRun. Over 5 million runners joined the cause in 2021.

Over double the amount of people who took part in 2019. These 5 million people ran over 56 million kilometers collectively, more than 4 times the amount in 2019 (12 million km).

And for every kilometer that that was run in 2021 via the adidas Running app, Parley for the Oceans' global clean up network is cleaning up the equivalent weight of 10 plastic bottles, up to 500,000 lbs of marine plastic waste removed from beaches, remote islands, and coastlines.



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Q Given that sustainability seems to be part of virtually every brand out there at the moment, how do you at adidas seek to remain distinctive and credible in this arena?

MH We are one of very few companies that have integrated sustainability into our business model and we are increasing the use of sustainable materials in all areas of our product range.

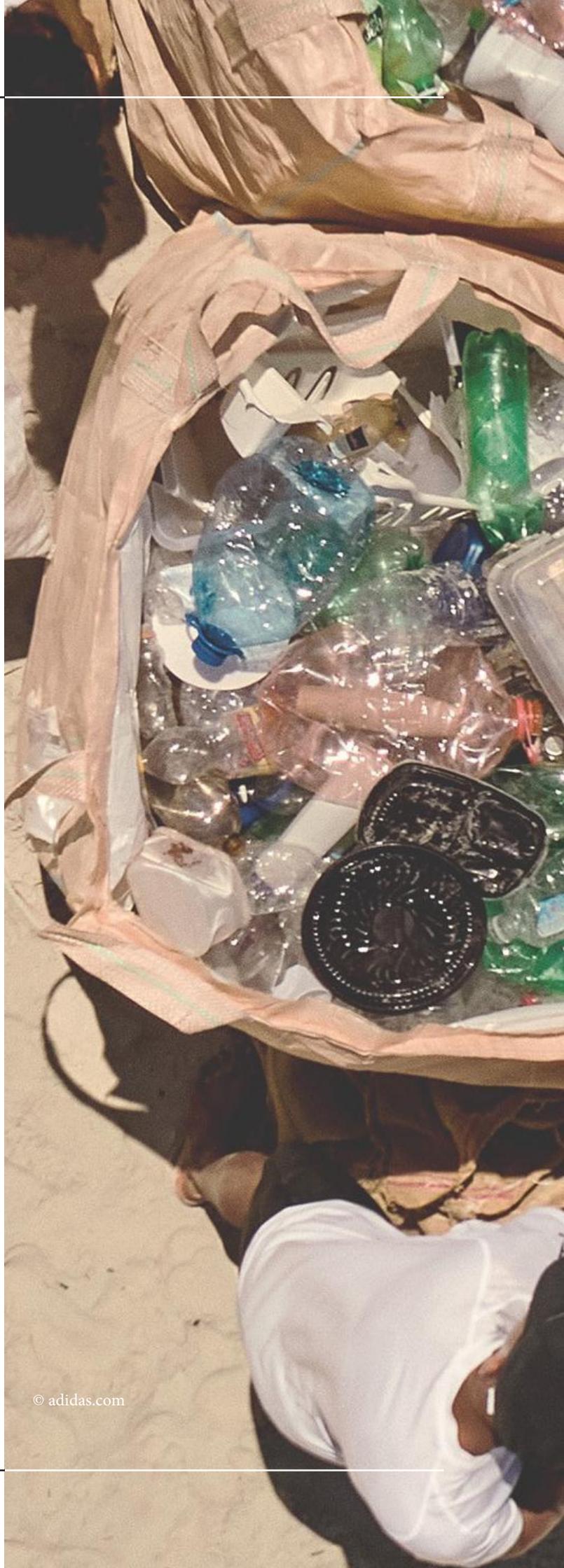
adidas' ambition and distinction is to help "end plastic waste". We will get there with a two-tiered strategy: we know that we can't do it alone and are working with the most capable partners in the industry. Secondly, we have a strong innovation strategy which we call our "three loop strategy". We are investing to develop products which use (1) recycled materials such as Parley Ocean Plastic, which are (2) made to be remade or that are (3) made with nature.

We have demonstrated it is possible to bring sustainability to performance products already: we have used Parley Ocean Plastic in our key products already such as jerseys for major football clubs.

We have used Parley Ocean Plastic for running shoes that won gold medals at the 2017 Athletic World Championship games and most recently we had products made with Parley Ocean Plastic at the Australian Open.

Our partnership with Allbirds has produced one of our lightest running shoes ever created. Tested against the adizero RC, it gives runners the same performance while more than halving the carbon emissions. Sticking to adidas and Allbirds no compromise moonshot through smart solutions that draw down every gram of weight and carbon.

Approximately 60% less emissions when compared to adizero RC. Full performance.



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Tested by runners with the same performance but with less material and minimum waste.

📌 What kind of challenges have you faced while pushing towards your targets for 2025?

MH As part of our Own the Game Strategy adidas has set very ambitious sustainability targets. One of adidas' sustainable ambitions is that by 2025, 9 out of 10 adidas articles will feature a sustainable technology, material, design, or manufacturing method. We also plan to achieve carbon neutrality in our own retail and operations already in 2025. And finally, we are committed to reducing our carbon footprint by an average 15% per product by 2025.

📌 What innovations or practices fill you with the most hope?

MH In April 2021 adidas launched the Stan Smith Mylo which is designed to mimic biology to pioneer plant-based yarns. Crafted from lab-grown mycelium, the root-like structure of mushrooms, we're harnessing natural technologies, billions of years in the making to shape the future of footwear. And with rubber outsoles. We're working with nature to redefine what sustainability looks like.

Shortly after, in May 2021, together with Allbirds, we announced the first product from our collaboration, FUTURECRAFT. FOOTPRINT which is created with 63% less emissions than a comparable running shoe. With each pair having a carbon footprint of just 2.94kg CO₂e, FUTURECRAFT. FOOTPRINT showcases a new approach to more sustainable design and an alternative method of manufacturing that drastically reduces carbon impact.

By sharing ideas and resources, we can make our footprint fit the planet, sooner.

What's the next level in terms of your sustainability commitment?

MH As a global brand we believe that it is our responsibility to act for the betterment of the earth. And as a major global brand we believe that adidas needs to be the leader in setting an example for how brands operate in today's global economy.

Our short-term commitments include:

- By 2024, we will replace all virgin polyester with recycled polyester wherever possible.
- By 2025, we are committed to reduce our carbon footprint by on average 15% per product, compared to emissions baseline, 2017.
- By 2025, 9 out of 10 adidas articles will feature a sustainable technology, material, design or manufacturing method.
- By 2025, we plan to achieve carbon neutrality in our own retail and operations.

Our long-term commitments include:

- By 2030, we plan to reduce combined carbon emissions from both own retail and operations and those of our suppliers by 30% compared to the year 2017.
- By 2050, we plan to be carbon neutral.



MARWIN HOFFMANN

Senior Director – Sustainability Strategy, adidas

After living and working abroad for nearly a decade, German native Marwin Hoffmann returned to Germany to hold several positions at adidas, including Senior Director of Brand Concepts, Business Unit Director of Women's Training Apparel and Porsche Design Global Category Manager.

Marwin now directs the global strategy for adidas Sustainability as the Senior Director of Sustainability. Some of Marwin's current responsibilities include the creation and implementation of the brand sustainability strategy with adidas business units as well as managing the strategic partnership between adidas & Parley for the Oceans. Previous to adidas, Marwin worked at various companies through Europe including Siemens in Frankfurt & Madrid, Club Atlético de Madrid and BMW in Munich.



adidas has established a detailed environmental data recording and reporting system which currently covers around 90% of the company's internal environmental footprint.

This includes the publication of an annual Green Company Performance Analysis that shows the company's achievements and progress against their targets. The reports are available to view at adidas-group.com

