



**FOREVER.
FASTER.**

STATEMENT

PUMA'S RESPONSE TO COVID-19 AND THE SUPPLY CHAIN

PUMA recognizes the unprecedented impact of the COVID-19 global pandemic on our supply chain and workers.

Throughout the pandemic, we have been in close conversations with our manufacturers, customers, landlords, banks and all other partners to find solutions together to ensure that we can sustain the entire value chain. We have worked with both our retail partners and manufacturers to slow down shipments, stretch payments and make sure that we all share the burden across the whole value chain.

Our supplier were able to release their financial burden through our vendor financing program, a financial support package which was established in 2016. The International Finance Corporation (IFC), banking group BNP Paribas, Standard Chartered Bank and HSBC offer attractive financing terms to them.

We acknowledge the importance to follow our responsible purchasing practice policy. We agreed with some suppliers on longer lead times due to the lockdown in some countries. All PUMA orders completed were paid in full. We cancelled very few (less than 1%) orders, for which materials were paid to the manufacturers. PUMA did not ask for discounts on orders.

We have been keeping an open dialogue with our manufacturers to evaluate any risk related to any factory work suspension, workers' layoffs, wage payments, overtime hours and working conditions. Our direct hotline with workers and organizations representing them all along remained open and any workers concerns were responded and addressed. We have been working closely with the ILO Better Work Program to ensure workers are treated fair and acknowledge the Fair Labor Association guidance. We closely followed up that any work suspension or retrenchment procedure was paid

to workers as per law to workers. PUMA deferred or advanced some orders in a dialogue with our suppliers to make sure they have production in months which were critical for them, so they could maintain as much as possible workers' employment and wages or rehire previously dismissed workers.

We have guided our manufacturers to follow strictly their respective government instructions to protect workers health. To address the absence of Health instruction in some countries, we shared the International Labor Organization guidelines on prevention and remediation of COVID-19 at work.

PUMA

PUMA is one of the world's leading sports brands, designing, developing, selling and marketing footwear, apparel and accessories. For 75 years, PUMA has relentlessly pushed sport and culture forward by creating fast products for the world's fastest athletes. PUMA offers performance and sport-inspired lifestyle products in categories such as Football, Running and Training, Basketball, Golf, and Motorsports. It collaborates with renowned designers and brands to bring sport influences into street culture and fashion. The PUMA Group owns the brands PUMA, Cobra Golf and stichd. The company distributes its products in more than 120 countries, employs about 20,000 people worldwide, and is headquartered in Herzogenaurach/Germany.