



## **PRESS RELEASE**

### **PUMA and IFC set up Financing Program for Suppliers to reward Social and Environmental Standards**

**Herzogenaurach, Germany, 14 April 2016** – Sports company PUMA and the International Finance Corporation (IFC), a member of the World Bank Group, have entered into a partnership to provide financing to PUMA's suppliers in emerging markets. This innovative program, which is the first a European brand signs with IFC, will offer financial incentives for suppliers to improve environmental, health and safety and social standards. In its first phase, the program will be rolled out in Bangladesh, Cambodia, China, Indonesia, Pakistan and Vietnam.

IFC will adopt a financing structure with tiered pricing of short-term working capital, offering lower costs for those suppliers that achieve a high score in PUMA's supplier rating, that is applied after PUMA has monitored a supplier's adherence to the company's social and environmental standards through an auditing process.

"This financing program enables our suppliers to leverage their relationship with us and benefit from PUMA's strong reputation and financial position," said Lars Soerensen, PUMA's Chief Operating Officer. "This is the first program in our company that rewards a supplier's rating within PUMA's environmental and sustainability program through related fees."

"IFC is the perfect partner for us to implement this program", stated Frank Wächter, Senior Head of Treasury & Insurance at PUMA. "They have a proven track record in designing such programs and implementing them in countries in Asia, where many banks are not as active."

Sergio Pimenta, IFC Director of Manufacturing, Agribusiness and Services said: "This agreement with PUMA advances IFC's efforts to encourage small and medium companies such as PUMA's suppliers to improve environmental and social sustainability while achieving strong financial results".

Ball Planet, a Chinese supplier of soccer balls with production facilities in China, is the first supplier to join the program. "We are keen to start using this financing facility, since access to affordable financing is always a challenge," Ken Hong, General Manager of Ball Planet Industrial Ltd., said: "This innovative program will not only help us improve our cash flow, but will also provide us with a financial incentive to improve our environmental, health and safety and social standards, which will ultimately reduce our operating costs and enhance our performance." Ball Planet has been a business partner of PUMA since 2010.

PUMA and IFC launched this initiative in partnership with GT Nexus, a cloud-based business network and platform for global trade and supply chain management. The platform enables participants to operate against a core, real-time set of information across multiple supply chain functions. This optimizes the flow of goods, funds and trade information.

IFC provides financing to ready-made garment and footwear suppliers through its Global Trade Supplier Finance (GTSF) program, which provides working capital to suppliers backed by receivables from international buyers. Supplier finance is a scalable way for suppliers in emerging markets to access affordable financing for their receivables over a period defined by the terms of credit. Established in 2010, IFC's GTSF program is a \$500 million multicurrency investment and advisory program that provides short-term finance to emerging-market suppliers and small and mid-sized exporters.

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## **PUMA**

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PUMA is one of the world's leading Sports Brands, designing, developing, selling and marketing footwear, apparel and accessories. For over 65 years, PUMA has established a history of making fast product designs for the fastest athletes on the planet. PUMA offers performance and sport-inspired lifestyle products in categories such as Football, Running, Training and Fitness, Golf, and Motorsports. It engages in exciting collaborations with renowned design brands such as Alexander McQueen and Mihara Yasuhiro to bring innovative and fast designs to the sports world. The PUMA Group owns the brands PUMA, Cobra Golf, Dobotex and Brandon. The company distributes its products in more than 120 countries, employs more than 10,000 people worldwide, and is headquartered in Herzogenaurach/Germany. For more information, please visit <http://www.puma.com>

## **IFC**

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with more than 2,000 businesses worldwide, we use our capital, expertise, and influence, to create opportunity where it's needed most. In FY15, our long-term investments in developing countries rose to nearly \$18 billion, helping the private sector play an essential role in the global effort to end extreme poverty and boost shared prosperity. For more information, visit [www.ifc.org](http://www.ifc.org).