



Herzogenaurach – June 2024

# Modern Slavery and Human Trafficking Statement 2024

This statement has been published in accordance with the UK Modern Slavery Act (2015), the California Transparency in Supply Chains Act of 2010 (SB 657), Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, the Norwegian Transparency Act and the Australian Modern Slavery Act 2018 (Cth). It sets out the steps that PUMA SE and all its subsidiaries<sup>1</sup> (herein after referred to as PUMA) have taken during the financial year 2023 to identify the risks of and prevent modern slavery and human trafficking occurring in its own business operations and supply chains.

## 1. Structure & Business

PUMA is one of the world's leading sports brands, designing, developing, selling and marketing footwear, apparel and accessories. For 75 years, PUMA has been producing the most innovative products for the fastest athletes on the planet. PUMA offers performance and sport style footwear, apparel and accessories products in categories such as Football, Running and Training, Golf, Motorsports, Teamsports and Basketball. PUMA engages in exciting collaborations with renowned designers to bring innovative and fast designs to the sports world. The PUMA Group owns the brands PUMA and COBRA Golf as well as the subsidiary Stichd. PUMA distributes its products in more than 120 countries via the wholesale and retail trade, as well as from sales directly to consumers in our own retail stores and online stores. We market and distribute our products worldwide primarily via our own subsidiaries. There are distribution agreements in place with independent distributors in a small number of countries. PUMA employs about 20,000 people worldwide and the headquarters are located in Herzogenaurach, Germany. As of December 31, 2023, 100 subsidiaries were controlled directly or indirectly by PUMA SE. Our subsidiaries carry out various tasks at the local level, such as distribution, marketing, product development, sourcing and administration.

## 2. Our Supply Chain

PUMA's manufacturers for core products are located all around the world. Asia remains the largest sourcing region overall, with 95% of the total volume, followed by the Americas with 3% and EMEA with 2% (thereof Europe with 1% and Africa with 1%). During the financial year 2023, PUMA sourced from 158 independent suppliers in 29 countries worldwide.

The list of the third-party manufacturers (Tier 1) that PUMA works with, and core component and material suppliers (Tier 2) can be found on PUMA's website under Sustainability/Human Rights<sup>2</sup> and the Open Supply Hub platform<sup>3</sup>. The PUMA Global Factory List includes

<sup>1</sup> Including PUMA United Kingdom Limited, PUMA Europe GmbH -UK branch, PUMA Teamwear Benelux B.V., stichd uk ltd. and PUMA Premier Ltd and (for the purposes of the Australian Modern Slavery Act 2018) PUMA Australia Pty Ltd ("PUMA Australia") the relevant reporting entity under that legislation for the purposes of this Statement which owns and controls PUMA New Zealand Limited, White Diamond Australia Pty Ltd, and White Diamond Properties Pty Ltd).

<sup>2</sup> <https://about.puma.com/en/sustainability/social>

<sup>3</sup> [https://opensupplyhub.org/?sort\\_by=contributors\\_desc](https://opensupplyhub.org/?sort_by=contributors_desc)



manufacturers that stand for 89% of the sourcing value of our apparel, footwear, and accessories divisions.

Further information about PUMA, its organizational structure and group relationships is available on the company's website under [This is PUMA](#) and under [Financial Reports](#) [cf. PUMA's Annual Report 2023].

### 3. Policies on Modern Slavery and Human Trafficking

[PUMA's Code of Ethics](#) is the foundation which sets a standard for the behavior of all PUMA employees including employees of joint ventures, our business partners, customers, and suppliers.

In addition to the Code of Ethics, we have also established the [PUMA Code of Conduct](#) which summarizes our expectations for our business partners and various PUMA policies which include the following:

- [Human Rights Policy](#)
- [Sustainability Handbook- Social Standards](#)
- [Responsible Sourcing Policy](#)
- [Human Rights Guideline](#)

### 4. Risk Assessment

PUMA conducts a risk assessment within its own operations and with all its business partners where it can identify relevant Human Rights related risks which are assessed and prioritized accordingly. The risk analysis is conducted on an annual basis and on an ad hoc basis in the event of a significant change or increase in risk exposure in PUMA's chain of activities.

Those risk categories cover potential violations such as employment of children, worst forms of child labor, forced labor, all forms of slavery, modern slavery, human trafficking, disregarding occupational health and safety obligations, disregarding freedom of association, unequal treatment, not paying adequate wages, causing pollution to air, water and soil, harmful noise emissions, excessive water consumption, unlawful eviction, using security forces for harmful purposes, and environmental pollution. PUMA carefully evaluates and considers the results of the risk analysis in its business decision making processes and uses the results to identify any additional measures to be implemented in order to prevent any violations of Human Rights. PUMA regularly updates its relevant internal documentation, processes, training, and measures to reflect the changes in relation to the results.

Further information may be found in our Annual Report 2023<sup>4</sup>

### 5. Risk Areas Identified

We recognize that our most salient risks regarding modern slavery and human trafficking in our supply chain are in the lower tiers. As per World Governance Indicators (WGI), PUMA's main sourcing countries have been identified as risk countries on Regulatory Quality (RQ) and Rule of

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<sup>4</sup> <https://annual-report.puma.com/2023/en/sustainability/foreword/index.html>



Law (RL). The risk could be more upstream in our supply chain when no audit program is in place or when there is no monitoring program at the raw material extraction stage. We adopt certification to address raw material extraction and Human Rights risks such as Better Cotton and the Forest Stewardship Council. Based on a risk mitigation approach, our core Tier 2 suppliers, who represent the majority of our business, have been included in our audit program. For the other (non-core) Tier 2 suppliers, we require our Tier 1 suppliers to pass down our compliance requirements to their business partners.

In 2021 supply chain services company ELEVATE Ltd. supported PUMA by conducting an evaluation of its Human Rights risk assessment approach, with a specific focus on forced labor. The evaluation framework utilized, drew on the expectations of the UN Guiding Principles for Business and Human Rights (UNGPs) with a specific focus on risks of forced labor, based on the definition of forced labor specified in the ILO Forced Labour Convention, 1930 (No. 29). As an outcome of this work, we developed and published a Human Rights policy, which explicitly references the ILO Forced Labor Convention and all eleven forced labor indicators. We updated our risk assessment for the supply chain and published it in our 2021, 2022 and 2023 annual report. This includes both risk exposures and business leverage insights to prioritize suppliers. PUMA reviewed the severity grading of audit findings indicating forced labor, which will then also make it easier to escalate, prioritize and remediate such findings. We revised our social handbook and trained our suppliers and sourcing colleagues respectively. In our revised handbooks, we request our business partners to conduct due diligence.

Further information may be found in our Annual Report 2023<sup>5</sup>

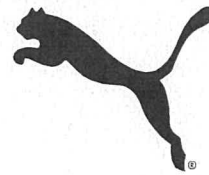
## 6. Preventive Measures

We carry out due diligence within our own operations and at our business partners which include:

- Suppliers' selection through a careful screening process to engage only with business partners who share our commitment to uphold the highest labor standards;
- Ensuring our business partners acknowledge to our Code of Conduct;
- Incorporating contractual assurances in the contracts with our business partners;
- Conducting regular announced and unannounced audits as well as third-party assessments from the Fair Labor Association (FLA) to better understand local contexts and leverage opportunities;
- Formal accreditation of PUMAs vendor compliance program through the Fair Labor Association (latest accreditation in 2019);
- Partnering with the Better Work Program of the International Labor Organization in those countries where Better Work and PUMA are active (Bangladesh, Cambodia, Indonesia, Vietnam);
- Identification of regional specific Human Rights risks by engaging in an active dialogue with local stakeholders including NGOs, unions and suppliers;
- Setting up a whistleblowing platform for supply chain workers to raise their concerns or to report any possible violations;
- Joining industry initiatives for mapping and remediating the most complex challenges;
- Reporting annually progress towards our sustainability goals through our annual report;
- Conducting regular training on the protection of Human Rights to PUMA's own employees

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<sup>5</sup> <https://annual-report.puma.com/2023/en/sustainability/foreword/index.html>



and to its business partners.

Further information may be found in our Annual Report 2023<sup>6</sup>

## 7. Effectiveness and Remediation

We shall review the effectiveness and appropriateness of our risk analysis, preventive measures, remediation measures, complaints procedure annually and on an ad hoc basis, if we expect a significantly expanded risk situation in our own business and at our business partners'. We shall also review all our relevant policies including this statement, our Code of Ethics, Code of Conduct, Human Rights Policy and the effectiveness of our complaint procedure.

PUMA is committed to continuously improve our human rights due diligence processes to ensure that the protection of human rights will be enhanced within our own business and throughout our chain of activities.

We engage with external organizations like Amander Kotha helpline in Bangladesh, Hamari Awaz in Pakistan and Microbenefits and the WOVO platforms to optimize the effectiveness of the factory workers' hotline.

Further information may be found in our Annual Report 2023<sup>7</sup>

## 8. Next steps

PUMA will continue to implement the recommendations which are outlined in our Corporate and Supply Chain Risk Assessments. We will conduct regular reviews of the grievance mechanisms available to stakeholders, in line with the UN Guiding Principles effectiveness criteria. We will also review how stakeholder groups that are likely to use the grievance mechanism are engaged in the performance of the mechanism.

We will keep on improving and formalizing our ongoing risk management processes to better identify, prevent, mitigate and account for risks throughout our supply chains.

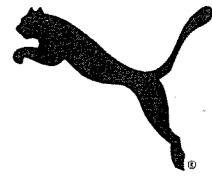
PUMA will maintain its commitments at an industry level, enabling a common framework for improving migrant workers protection through responsible recruitment practices. Furthermore, PUMA will ensure that our updated policy on recruitment fees is being addressed by our suppliers.

**This statement covers January 1, 2023, to December 31st, 2023, and has been approved<sup>8</sup> by the Management Board of PUMA SE and for the purposes of the Australian Modern Slavery Act 2018, PUMA Australia, , for the purposes of the UK Modern Slavery Act 2015, PUMA United Kingdom Ltd, for the purposes of the California Transparency in Supply Chains Act of 2010 (SB 657), PUMA North America**

<sup>6</sup> <https://annual-report.puma.com/2023/en/sustainability/foreword/index.html>

<sup>7</sup> <https://annual-report.puma.com/2023/en/sustainability/foreword/index.html>

<sup>8</sup> Consultation processes - In preparing this Statement, PUMA Australia, being the relevant reporting entity under the Australian *Modern Slavery Act 2018*, has consulted with the board of directors of each of its subsidiaries, namely PUMA New Zealand Limited, White Diamond Australia Pty Ltd and White Diamond Properties Pty Ltd. Each board has approved this Statement.



Inc, for the purposes of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, PUMA Canada Inc, for the purposes of Norwegian Transparency Act, PUMA Norway AS.

A handwritten signature in black ink, consisting of two large, stylized loops followed by a horizontal line extending to the right.

**Daniel Pustina**

**Managing Director Oceania, PUMA Australia Pty Ltd**