

PUMA SUSTAINABILITY

# FOREVER BETTER



FOREVER  
BETTER.

# FOREVER BETTER



T H E R E ' S  
O N L Y  
O N E  
F O R E V E R

LET'S MAKE IT BETTER



**FOREVER  
BETTER.**



FOREVER **BETTER**

Source: [PUMA® - FOREVER BETTER](#)

# FOREVER BETTER



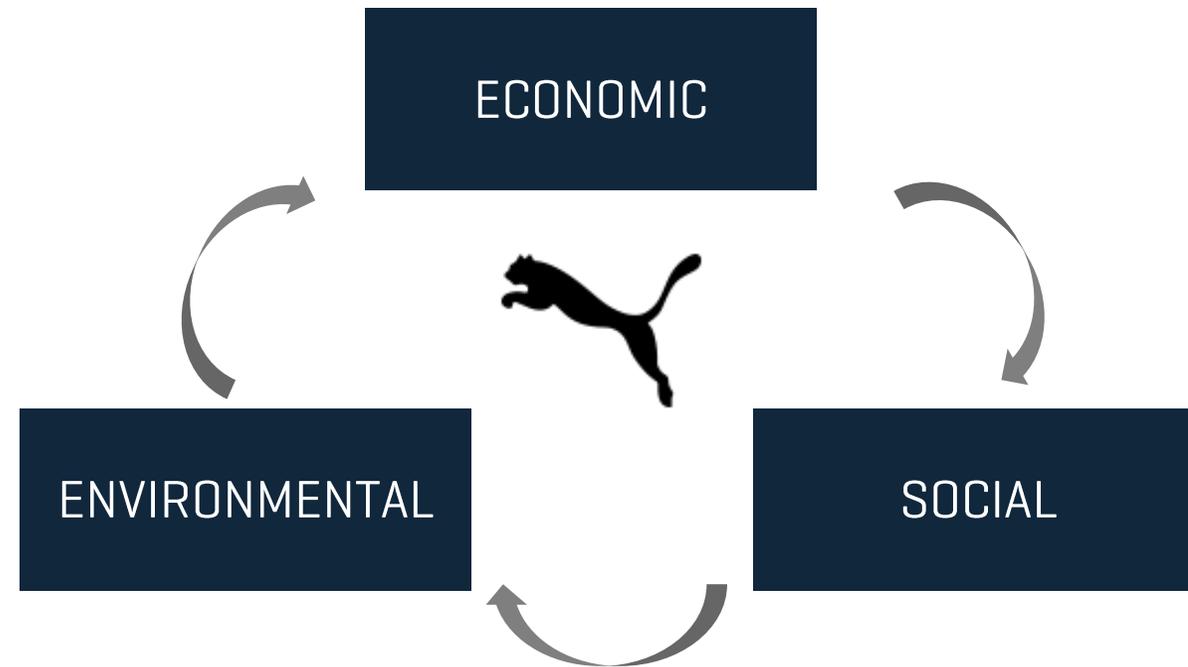
## OUR PHILOSOPHY

As a sports brand, we know a thing or two about pushing ourselves to be better. We see sustainability in much the same way. It's about applying our strengths. Acknowledging and improving on our weaknesses. And making a team effort to reach common goals.

At PUMA, we're working to manage our impacts and improve our performance across ten key sustainability areas. By doing so, we'll make better products, and contribute to a better environment and society. And as we make progress, we'll keep raising the bar to new and higher levels.



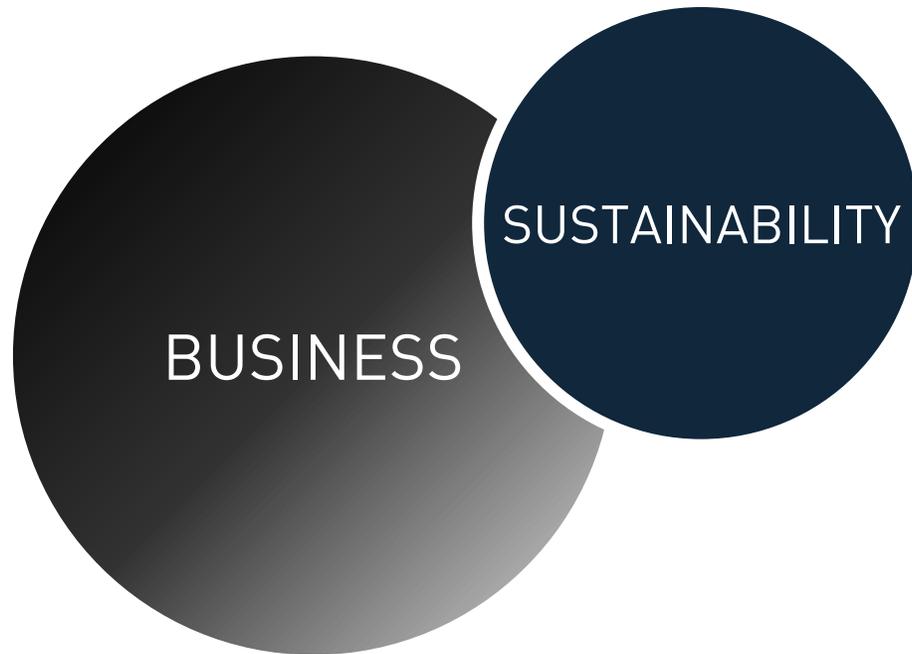
# THREE DIMENSIONS OF SUSTAINABILITY





# FULLY INTEGRATED INTO BUSINESS

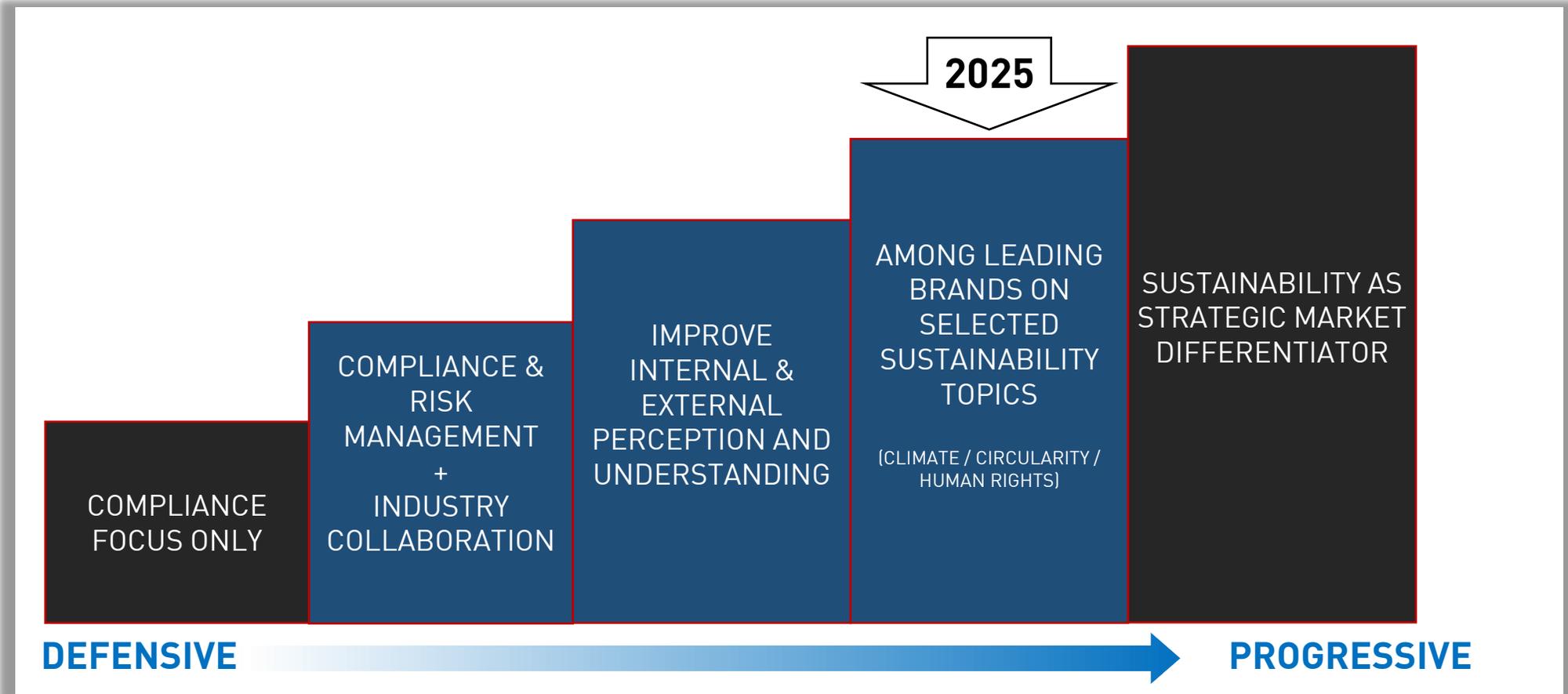
SUSTAINABILITY SEPARATE  
FROM BUSINESS



SUSTAINABILITY EMBEDDED IN  
BUSINESS DECISIONS



# PUMA SUSTAINABILITY POSITIONING





# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Our **SUSTAINABILITY STRATEGY** and **TARGETS** are aligned to the United Nations sustainable development goals, or **SDGs**





# 10 FOR 25 SUSTAINABILITY TARGET AREAS

## BETTER TARGETS



-  **CLIMATE:** PUMA will do its part to keep global warming below 1.5 degrees, with a focus on renewables
-  **PLASTIC & OCEANS:** Support research on microfibers, eliminate plastic bags from PUMA stores, and research biodegradable polyester
-  **CIRCULARITY:** Implement product take backs, reduce waste to landfill, and develop recycled options for leather, rubber, cotton, PU
-  **FAIR INCOME:** Carry out fair wage assessments, confirm suppliers support bank transfer payment to workers and freely elected worker representation
-  **BIODIVERSITY:** Support industry in setting a science-based target on biodiversity, and source 100% of cotton, leather, down from certified sources
-  **PRODUCTS:** 90% of APP & ACC have >50% more sustainable materials, 90% of FTW contains >1 more sustainable component, increase recycled poly use to 75% (APP/ACC)
-  **HUMAN RIGHTS:** 100k staff trained on women's empowerment, 25K hours per year of community engagement, all suppliers audited for labor rights
-  **HEALTH & SAFETY:** Ensure zero fatal accidents and reduce injury rates to below 0.5 within PUMA and suppliers
-  **CHEMICALS:** Ensure zero discharge of hazardous chemicals, and further reduce organic solvent usage during production
-  **WATER & AIR:** Ensure 90% of suppliers follow industry wastewater and air quality standards, reduce water consumption at core suppliers by 15%

10 FOR 25 SUSTAINABILITY TARGET AREAS

# HUMAN RIGHTS

**Focus**  
Human rights



10FOR25

# HUMAN RIGHTS

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## TARGET HIGHLIGHTS

FLA accredited – all factories audited frequently

Training 100.000 workers on women empowerment

25K hours per year of community engagement

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# HUMAN RIGHTS

## NEW PUMA CODE OF CONDUCT

PUMA SE, PUMA WAY 1, D-91074 Herzogenaurach

FOREVER **FASTER** PUMA 

## **CODE OF CONDUCT**

*PUMA respects Human Rights, this respect defines our engagement with the societies in which we operate, and with our partners throughout our supply chain. PUMA respects the environment. We are determined to manage, reduce and report on the impact on the environment of both our organization and our supply chain.*

*These two commitments are expressed publically and transparently in the PUMA Code of Conduct. All our Employees, Vendors and their Subcontractors are required to comply in full with this Code of Conduct. Where differences or conflicts arise, the highest standard shall apply.*

### **EMPLOYMENT RELATIONSHIP**

Vendors and their subcontractors shall adopt and adhere to rules and conditions of employment that respect workers, and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

### **NO CHILD LABOR**

Vendors and their subcontractors may not employ anyone below 15 years of age, or the local legal minimum age, or the age for completing compulsory education, whichever of the three is higher.

### **SAFE WORKING ENVIRONMENT**

Vendors and their subcontractors must provide a safe and hygienic working environment for all employees. Vendors and their subcontractors must take all possible precautions to prevent accidents at the workplace, and should actively promote good occupational health and safety practices.

### **DIGNITY AND RESPECT**

Harassment, corporal punishment and physical, sexual, psychological or verbal abuse is not tolerated in the PUMA supply chain. Vendors and their subcontractors cannot use any form of forced labor including prison labor, indentured labor or bonded labor.

### **FAIR COMPENSATION**

Every worker has a right to compensation for a regular work week that is sufficient to meet the worker's basic needs and provide some discretionary income. Employers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any other benefits required by law or contract.

Where compensation does not meet workers' basic needs and provide some discretionary income, each employer shall work with their relevant stakeholders to take appropriate actions that seek to progressively reach a level of compensation that does.



# HUMAN RIGHTS

NEW

## PUMA CODE OF CONDUCT

### FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

Vendors and their subcontractors must guarantee the right of their employees to join unions, or other work or industry related associations, and to bargain collectively. These rights must be given without fear of harassment, interference or retaliation.

### NO DISCRIMINATION

Vendors and their subcontractors do not discriminate against any of their employees. Employees are treated with respect and equality regardless of religion, age, gender, pregnancy, marital status, disability, nationality, race, ethnic origin, political views or sexual orientation.

### ETHICAL BUSINESS PRACTICES

PUMA SE will not tolerate corruption neither in the supply chain nor in its own operations.

### NO EXCESSIVE WORKING HOURS

Vendors and their subcontractors employees must not be obliged to work in excess of the regular workweek and maximum overtime allowed by local labor law. A regular workweek shall not exceed 48 hours and one day off shall be guaranteed for every seven-day period.

Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours. Overtime shall be voluntary and compensated at a premium rate and not be requested on a regular basis.

### RESPECT THE ENVIRONMENT

Vendors and their subcontractors must respect local environmental protection legislation or international industry standards, whichever is higher. All Vendors and their subcontractors must measure and progressively reduce their impact on the environment.

REGION	TELEPHONE	LANGUAGES
Southeast Asia	+84 837838183 +62 254401025	
South Asia	+880 29890461	
East Asia	+86 2038934810	
Americas	+503 2555 9916	
Europe, Middle East & Africa	+49 9132812794 +90 212 4860709	

Vendors and their subcontractors accept that their business practices are subject to scrutiny. All subcontractors must be authorized by PUMA and it is the responsibility of the vendor to ensure that this Code of Conduct is respected at their subcontractors.

PUMA SE reserves the right to cease trading with any company which is found to violate this Code of Conduct.

Please direct all enquiries, complaints and suggestions regarding this code and its implementation to [sustain@puma.com](mailto:sustain@puma.com) or contact your local PUMA Sustainability Team.

V. 06. 2018



# PUMA SUSTAINABILITY HANDBOOKS



## SOCIAL STANDARDS

PUMA's familial mentality drives us to uphold employment and labor guidelines in all tiers of our supply chain.

↓ DOWNLOAD



# HUMAN RIGHTS STATUS

FLA accredited - All factories audited frequently

## ➤ T.03 AUDIT RESULTS 2018-2020

Number of factories audited	2020		2019		2018	
	T1	T2	T1	T2	T1	T2
A (Pass)	82	5	107	10	82	15
B+ (Pass)	116	26	126	17	148	29
B- (Pass)	125	35	121	10	128	42
C (Fail)	11	2	19	2	17	7
D (Fail)	4		4	0	5	0
Total	338	68	377	39	380	93
		406		418		473
Pass/Fail (%)	96/4	97/3	94/6	95/5	94/6	91/9



# HUMAN RIGHTS STATUS

Human Rights Due Dilligence –  
Worker grievance hotline

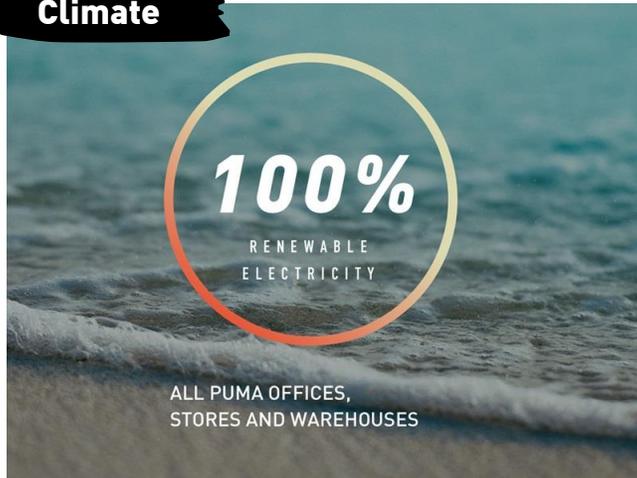
## ➤ T.04 WORKERS' COMPLAINTS 2018 – 2020

Workers' complaints	2020	2019	2018
<b>Total received – external channels</b>	<b>1021</b>		
Total received – PUMA Hotline	101	70	55
Total confirmed	984	61	44
Resolved	983	61	44
Not resolved	1	0	0
<b>Resolved (%)</b>	<b>99.9%</b>	<b>100%</b>	<b>100%</b>



# FOREVER BETTER BETTER ENVIRONMENT

## Climate



### CLIMATE

We're determined to tackle climate change and contribute to building a low-carbon economy. That means working to cut carbon emissions in line with the [Paris Agreement](#) right across our value chain, from our own offices, vehicle fleet and manufacturing sites to our supplier factories. Because no business can address climate change alone, we're also working as part of industry-wide coalitions such as the [Fashion Industry Charter for Climate Action](#) to reduce emissions throughout the industry.

100%

Our offices are powered by 100% renewable electricity

89%

Reduction in Scope 1 and 2 emissions since 2019

## BIODIVERSITY



### BIODIVERSITY

As a company that relies on cotton farming, cattle ranching and paper production, we have a responsibility to manage the impacts on biodiversity caused by these activities. We've set ambitious targets to ensure that the cotton, leather and cardboard we buy comes from certified sustainable sources.

30,000

tons of cotton used per year

100%

of our cotton is sustainably sourced

## PLASTIC & OCEANS



### PLASTIC & OCEANS

There's no getting away from it: plastic pollution is littering our planet and oceans. We've set a target to eliminate single-use plastic bags from our stores, as well as switching to recycled plastics for our hangers and fixtures as well as any unavoidable plastic packaging. We're also exploring using biodegradable polymers for our products, and supporting critical scientific research into preventing the release of microfibers.

100%

We're on track to eliminate plastic bags from 100% of our stores by 2023 at the latest.

## CIRCULARITY



### CIRCULARITY

We want to create a circular economy by minimizing waste and giving new life to used materials and products. Our circularity targets include scaling up the use of recycled polyester and cotton and using recycled alternatives to leather, rubber, and polyurethane.

50%

We'll reduce waste to landfill by 50% by 2025

100%

We're aiming for all our major markets to have product takeback schemes in place by 2025.



# FOREVER BETTER BETTER ENVIRONMENT

## WATER AND AIR

96 %

OF CORE SUPPLIERS WITH WET-PROCESSING FACILITIES ARE SUBJECT TO WASTE-WATER TESTS

### WATER AND AIR

Water and air are our planet's most precious resources. Through regular testing and assessments, we're committed to ensuring our suppliers minimize water and air pollution, and conserve water resources.

**96%**

of core suppliers with wet-processing facilities are subject to wastewater tests.

**> 90%**

compliance of our core suppliers to the ZDHC Wastewater Guidelines on a parameter level.

## CHEMICALS

7,465

TESTS FOR RESTRICTED SUBSTANCES IN 2020 (UP FROM 5,318 IN 2018)

### CHEMICALS

We've taken steps to avoid the use of restricted and potentially hazardous chemicals and reduce the use of organic solvents in the manufacture of our products.

**7,465**

Tests for restricted substances in 2020 (up from 5,318 in 2018)

**99% of all RSL tests in full compliance**

**Zero intentional use of Hazardous Chemicals**



## ACHIVEMENTS 2020

# SUSTAINABILITY IN NUMBERS

100%



Certified Polyester  
in APP/ACC (17% recycled)

98%



Certified Leather  
from Leather Working Group  
(FTW)

81%



More sustainable  
products in APP

0



Fatal Accidents  
3 Years in a row

100%



Green electricity  
in offices and stores

47%



More sustainable  
products in ACC

**5 out of 10**  
*products are made  
with more  
sustainable  
materials*

490



number of social  
audits (= 2019)

19,000



Hours of Community  
Engagement

23%



More sustainable  
products in FTW

**CHEERS.**

**#ForeverBetter**



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