

“Puma’s Response”, 11 January 2022

Sports company PUMA works with three suppliers in the Karnataka region, which produce very small volumes of PUMA products for the local Indian market only. PUMA believes that the VDA (Variable Dearness Allowance) is part of the minimum wage and should be paid to the workers. We have also made this clear in our conversations with the suppliers.

According to our code of conduct, suppliers have to pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, and comply with all legal requirements on wages, and provide any other benefits required by law or contract.

Since 1999, we frequently audit all direct PUMA suppliers for compliance with ILO Core Labor Standards. You can find out more about our Code of Conduct and our audit program here: <https://about.puma.com/en/sustainability/codes-and-handbooks>

Because of the extremely low volumes we source in the region (about 0.005% of our overall global sourcing volume), our influence on the suppliers is limited. As we await the final outcome of the court case, we are working with our peers who source bigger volumes in Karnataka, to make sure that wages are paid correctly.