



12 April 2020  
(By email)

Dear Business & Human Rights Resource Centre

**adidas' response to the situation facing workers in the Mactan Economic Zone who are subject to a mandatory community-wide quarantine due to COVID-19**

Thank you for providing adidas with an opportunity to respond to local media reports about the situation facing workers from the Mactan Economic Zone, who have been subject to community-wide quarantine ordered by the Cebu Provincial Governor on March 27, 2020.

Shortly after the central government announced its plans to impose community quarantine across the country's metropolitan areas, the Department of Labor and Employment (DOLE) launched a P2-billion program providing financial assistance to workers affected by COVID-19.

Under the DOLE program, qualified workers are to be provided a subsidy of P5,000. The financial assistance applies to all workers, regardless of their employment status, whether they are 'no work, no pay,' contractual, or regular workers.

To help workers' meet their daily needs during the lockdown, adidas' suppliers operating in the Mactan Economic Zone brought forward monthly salary payments, provided a cash advance against planned end of year bonuses, and distributed basic food provisions to their employees. They also applied for the government emergency relief funds for each worker, as per the DOLE directive.

It should be noted that the factories are not fully closed. Safety measures are in place and workers are being offered limited work opportunities on a rotational basis. Some workers have also requested, and received, paid annual leave.

We continue to be closely engaged with our suppliers and the government agencies in Cebu to understand what additional measures can be taken to support the workers and their families during this national emergency.

Sincerely,

A handwritten signature in black ink, appearing to read "William Anderson".

William Anderson  
Vice President, Global  
Social & Environmental Affairs