

**Company Name** Puma  
**Industry** Apparel (Supply Chain only)  
**Overall Score (\*)** 44.0 out of 100

Theme Score	Out of	For Theme
4.2	10	A. Governance and Policies
13.5	25	B. Embedding Respect and Human Rights Due Diligence
1.7	15	C. Remedies and Grievance Mechanisms
9.4	20	D. Performance: Company Human Rights Practices
10.0	20	E. Performance: Responses to Serious Allegations
5.2	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

**Detailed assessment**

**A. Governance and Policies (10% of Total)**

**A.1 Policy Commitments (5% of Total)**

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: General HRs commitment: The Company is an affiliated company of the Kering Group and integrates the Group's code within its own. The Code indicates: 'we restate our commitment to human rights and intend to act as a socially responsible company wherever we operate'. The code of conduct, which applies to 'all employees, vendors and their subcontractors' states that 'PUMA respects Human Rights. This respect defines our engagement with societies in which we operate, and with our partners throughout our supply chain'. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Met: UNGC principles 1 &amp; 2: The Company is signatory and is committed to the UN Global Compact. The annual report includes a letter from the CEO in which he states that 'PUMA SE remain firmly committed to the 10 principles of the United Nations Global Compact as well as the United Nations Guiding Principles of Business and Human Rights'. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Met: UNGPs: As indicated above, in the Annual report the CEO states that: 'PUMA SE remain firmly committed to the 10 principles of the United Nations Global Compact as well as the United Nations Guiding Principles of Business and Human Rights'.</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: UNGC principles 3-6: The Company ethics code, which includes the whole Kering Group code, indicates that 'The Group has shown its commitments as a signatory of the United Nations Global Compact and through this support emphasises its defence of the ten principles of the Global Compact since 2008'. Also, the COO in its annual report letter, explicitly expresses the Company's commitment to the UN Global Compact. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> &amp; Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Explicitly list ALL four ILO for AP suppliers: The Company's code of conduct for suppliers explicitly includes commitments for all ILO core areas. In relation to freedom of association and collective bargaining, the code states that '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'. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: In the Company's ethics code, which includes the whole Kering Group code of conduct, there is an explicit commitment against child labour, forced labour, discrimination, and to respect the freedom of association and collective bargaining. The standard with respect the last two says: 'Freedom of association and the right to join unions or other work or industry related associations as well as the right to collective bargaining'. Also, the code of conduct states that 'all our employees, vendors, and their subcontractors are required to comply in full with this code of conduct'. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Met: Respect H&amp;S of workers: Working conditions that comply with health and safety laws &amp; regulations [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Met: H&amp;S applies to AP suppliers: The code for suppliers states that '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'. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Met: working hours for workers: The code of conduct states that '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'. Although the description explicitly says 'vendors and their subcontractors', the code also states that 'all our employees, vendors and their subcontractors are required to comply in full with this code of Conduct'. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Met: Working hours for AP suppliers: As indicated above, the code of conduct contains commitment to labour standards on working hours. It applies to vendors and their subcontractors. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
A.1.3.AP	Commitment to respect human rights particularly relevant to the industry (AP)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Women's Rights</li> <li>• Not met: Children's Rights</li> <li>• Not met: Migrant worker's rights</li> <li>• Met: Expecting suppliers to respect these rights: The document containing the social standards for suppliers has a specific section on women workers, which requires granting 'equal opportunities in all matters pertaining to employment in the Factory [...] Moreover, the factory shall be aware of women's special needs, particularly during pregnancy and after childbirth, and provide them with respective guarantees and facilities for meeting those needs'. It also contains requirements on dangerous jobs, needs during pregnancy, etc. In addition, it also has a section on migrant workers, including fair treatment and no discrimination in the different processes, requirements on migrants travel documents, accommodations, recruitment fees &amp; compensation, vulnerability &amp; special needs, and others. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: CEDAW/Women's Empowerment Principles</li> <li>• Not met: Child Rights Convention/Business principles</li> <li>• Not met: Convention on migrant workers</li> <li>• Not met: Respecting the right to water</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>Not met: Expecting suppliers to respect these rights: Although the Company discloses requirements for suppliers regarding women and migrants rights, no evidence found of explicit commitment to the specific conventions considered in this indicator. Water-related commitments are made in the context of employee welfare and legal compliance with wastewater. However, no evidence found in relation to specific commitment to the right to water and sanitation in line with the Sustainable development goals. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability handbooks - environmental standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Regular stakeholder engagement: As part of the audits carried out by the sustainability team within the core suppliers, interviews take place with workers or the Company's suppliers. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> &amp; Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Commits to engage stakeholders in design: No evidence found of formal statement of commitment to engage with affected stakeholders and/or their legitimate representatives in developing or monitoring human rights approach</li> <li>Not met: Regular stakeholder design engagement: Although the Company reports engaging with stakeholders at corporate level no specific evidence found on engagement with affected stakeholders and/or their legitimate representatives in the development or the monitoring of the approach. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Not met: Commits to remedy</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Not obstructing access to other remedies</li> <li>Not met: Collaborating with other remedy initiatives</li> <li>Not met: Work with AP suppliers to remedy impacts: Although remediation of impacts and non-compliances is part of the requirement for suppliers, no evidence found of a statement from the Company to work with the business relationship to remedy through the business relationship mechanisms or collaborating with them in the development of third party non-judicial remedies. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Not met: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Expects AP suppliers to reflect company HRD commitments: Although the social handbook includes requirements for non-retaliation against workers for raising concerns or being part of trade unions, no evidence found of commitment to not retaliate or intimidate human rights defenders (people who oppose a company's operations or have raised questions about the Company's activities, whoever they are). [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>

### A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: CEO or Board approves policy: The Company's code of ethics is signed by the PUMA CEO and includes the Kering Group code of ethics prefaced and signed by the CEO. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Met: Board level responsibility for HRs: The Company indicates that 'the highest-ranking governance body at PUMA in terms of sustainability is the Administrative Board of PUMA SE and its Sustainability Committee. The Sustainability Committee is responsible for the supervision of PUMA's sustainability strategy'. Sustainability strategy includes to 'promote human rights across our operations and suppliers. Positively impact the communities where PUMA is present'. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Speeches/letters by Board members or CEO</li> </ul>
A.2.2	Board discussions	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Board/Committee review of salient HRs: The Company indicates that the Board Sustainability Committee is responsible 'for the supervision of PUMA's sustainability strategy'. It meets to review the progress achieved on the ten</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>sustainability targets to be achieved by PUMA by 2020, which explicitly includes human rights issues. One meeting was held in 2017 (last reporting year). [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</p> <ul style="list-style-type: none"> <li>• Not met: Examples or trends re HR discussion: The annual report provides some examples of topics treated, including social commitments such as "Right to play", related with children. However, no evidence found of specific human rights issues treated. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Incentives for at least one board member</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to ILO core conventions [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> &amp; Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Met: Senior responsibility for HR: The Company discloses a Chart with the Sustainability organization within PUMA. This includes the 'Corporate Sustainability Steering Committee' which includes representatives from 12 different areas and the Head of Corporate Sustainability. The Committee receives reports on progress in relations to the implementation of the sustainability strategy and their targets that explicitly includes human rights issues. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility: The Company has a 'corporate sustainability team'. However, no further details found in relation to its organisation. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Day-to-day responsibility for AP in supply chain: The Company discloses a Chart indicating that linked to the Corporate Sustainability there is a Supply Chain corporate sustainability team, with a team head, four different managers (Bangladesh, Indonesia, LATAM, AMEA) and two teams, one in China and one in Vietnam. In 2017 the Supply chain sustainability team was tasked to work with core suppliers primarily (including material and component suppliers). The social handbook includes references to the work of this sustainability team work in the audit process. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a> &amp; Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
B.1.2	Incentives and performance management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Senior manager incentives for human rights: The annual report indicates that 'the PUMA board decided to include key indicators of our performance on climate change, governance, human rights and health and safety in annual bonus calculations for the entire PUMA management team' (which are considered to be all PUMA staff worldwide reporting directly to the board) [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S: Although the Company mentions human rights no specific evidence found to issues considered. Also, in case of health and safety, in order to meet this requirement, performance incentive needs to include health and safety of workers in the supply chain. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>
B.1.3	Integration with enterprise risk management	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: HR risks is integrated as part of enterprise risk system: In the risk and opportunity management section of the annual report the Company explains the Group risk management system. One of the risk and opportunity categories is 'sourcing and the supply chain', where it is indicated the following: 'There is also the risk of a breach of ILO core labor standards by our suppliers. In addition, there is a risk that suppliers will not adhere to environmental standards or use hazardous</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			chemicals in production, resulting in negative reporting. Inter alia, the PUMA Sustainability Team is also tasked with verifying compliance with the applicable standards in regular audits of suppliers'. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a> ] Score 2 • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 • Met: Commits to ILO core conventions: See indicator A.1.2 • Not met: Communicates its policy to all workers in own operations Score 2 • Met: Commits to all 4 ILO core conventions: See indicator A.1.2 [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> & Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a> ] • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Commits to all 4 ILO core conventions for suppliers: See indicator A.1.2 • Met: Communicating policy down the whole AP supply chain: The Company indicates that 'pursues and maintains contractual relationships only with those factories and licensees that have agreed to comply with the guidelines and directives set out in the Handbooks'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> ] • Met: Requiring AP suppliers to communicate policy down the chain: The Company indicates that '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'. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a> ] Score 2 • Met: How HR commitments made binding/contractual: As indicates above, the Company enters in contractual relationships only with those that agreed to comply with the handbooks. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> ] • Met: Including on AP suppliers: The Company indicates that 'All PUMA factories are contractually bound to pursue business relationships only with Subcontractors that are in compliance with the Handbook'. The code also states that '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'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> ]
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 • Met: Scores at least 1 on A.1.2 • Not met: Trains all workers on HR policy commitments: The Company indicates that 'in the 2017 financial year we again carried out e-learning training on the Code of Ethics, developed together with our major shareholder, throughout the Group. In 2017, this e-learning focused on the fight against corruption, workplace behavior and environmental protection'. '99% of PUMA Group (PUMA SE 96%) employees with their own email account participated in the coe of ethics training'. However, this training seems to be focused in the mentioned topics, and not clear if all employees received training including human rights. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a> ] • Not met: Trains relevant AP managers including procurement Score 2 • Met: Score of 2 on A.1.2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: Scores at least 1 on A.1.2: As indicated in policy-related indicators, the Company's code of conduct which applies to 'all our employees, vendors and their subcontractors' covers all ILO core areas. In addition, the Company is committed to the ten principles of the UN Global Compact. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a> & Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> ] • Not met: Monitoring implementation of HR policy commitments: The Company provides comprehensive evidence of supplier monitoring. However, no evidence found on how it monitors the implementation of policies within its own workforce. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a> ] • Met: Monitoring AP suppliers: The annual report states that 'a team of local experts in all major sourcing regions monitor the implementation of the code via audits, site visits and capacity-building projects'. The Company's own supply chain sustainability team works with core suppliers primarily and outsources the auditing

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>of non-core suppliers to local compliance experts. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Score of 2 on A.1.2: As indicated in policy-related indicators, the Code of conduct covers all relevant issues. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Not met: Describes corrective action process: The Social handbook describes the corrective action plan process. It includes corrective action plan documents outlining plans for improvement, people involved, timescales for sending the plan, type of verifications afterwards, etc. The annual report includes description of performance, including factories not admitted (10), factories deactivated (7) and that it identified four cases of zero tolerance issues. However, it is not clear the number of incidences found. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> &amp; Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Not met: Example of corrective action: The Company indicates that it identified four cases of zero tolerance issues, mainly related to the underpayment of minimum wages. 'All factories were asked to immediately remedy the issues in question. Two factories were consequently removed from our supplier base and two factories rectified the payments and therefore remained active PUMA suppliers'. However, no evidence found of details of these or other cases in relation the corrective action process carried out. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Discloses % of AP supply chain monitored: The Company discloses the number of audits carried out of core and non-core suppliers and also the deactivated suppliers. It includes 408 active factories and 24 inactive factories. It indicates that the 'total' figure 'includes all tiers and PUMA Group Sourcing as well as licensee suppliers'. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>
B.1.7	Engaging business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: HR affects AP selection of suppliers: The social handbook indicates that 'PUMA conducts audits with all potential suppliers prior to the start of business relationship'. 'Only factories with a passing grade of A, B+ or B- will be authorized for production'.</li> <li>• Met: HR affects on-going AP supplier relationships: The social handbook states that factories that receive C rating will have to resolve non-compliances and then will be upgraded to B rating and will receive production authorization. 'Factories given a D rating are considered unprepared for compliance with the PUMA standards. No production authorization shall be given to these factories. D- rated factories may apply for a new PUMA Compliance Audit only if they provide Credible Evidence that a higher compliance status has been permanently achieved'. Finally the code states that PUMA 'reserves the right to cease trading with any company which is found to violated this code'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met</li> <li>• Met: Working with AP suppliers to improve performance: The Company reports about factories being enrolled in the ILO/IFC Better work programme. These factories 'go through a process of learning in the fields of assessments, advisory services, industry seminars and training. The program covers areas such as child labor issues, discrimination, forced labor, freedom of association, collective bargaining and national labor law regulations on compensation, contract and workplace relations, occupational safety and health, working hours and more'. In addition, the website provides some examples of work carried out with suppliers, such as women empowerment Owe conduct monthly workshops in factories where local NGO representatives train workers on human and women's rights'. We team up with local non-governmental organizations to support women workers in our suppliers' factories in Turkey, Georgia and Egypt'. [Sustainability, social website, 26/09/2019: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Stakeholder process or systems: The Company reports on stakeholder engagement in the annual report. However, no evidence found on how it has identified affected stakeholders and engaged with them in the last two reporting years. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Frequency and triggers for engagement: The Company indicates that 'interview of randomly selected employees is another important audit procedure. PUMA reserves the right to interview employees of factories at its discretion. Auditors may conduct these in groups or individually, depending on the nature of the topic or information sought'. The handbook indicates that 'factories already</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>authorized for production will be assessed at regular intervals (typically once per year).The Company's sustainability team audits the Company's core suppliers. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> &amp; Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: Workers in AP SC engaged: As indicated above, during factory audits workers in the supply chain are engaged [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Analysis of stakeholder views and company's actions on them: The Company indicates that 'we received feedback on our sustainability strategy, particularly from our Asian stakeholders. We discussed potential new initiatives with a view to measuring and implementing fair wages and fighting climate change in the supply chain, as well as expanding our Human Rights Due Diligence process beyond the first and second tiers of the supply chain'. No evidence found however of a specific response to this input from stakeholders. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Identifying risks in own operations: The Company indicates that it expanded human rights risk assessment to the supply chain and took steps to mitigate risks. However, no evidence found on whether it has carried out the process to identify risks within its own operations. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Identifying risks in AP suppliers: The Company listed the material topics and indicates that in 2017 it carried out a human rights risk assessment and took the steps to mitigate the risks identified. It also assessed the Company's capacity to apply human rights due diligence concept and identify hotspots where further action is required. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Ongoing global risk identification: As indicated above, the Company is carrying out the process for risk identification and assessment in they supply chain. However, it is not clear whether it has covered also its own operations. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Not met: In consultation with stakeholders</li> <li>• Met: In consultation with HR experts: The Company consulted with a consultancy firm and its diagnostic tool which also helped identify the Company's capacity to apply due diligence and identify hotspots for the Company to improve its system [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Not met: Triggered by new circumstances</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Salient risk assessment (and context): The company discloses the prevalent human rights risks in the garment and footwear sector and the PUMA capacity level to the different aspects of the due diligence processes (embedding conduct, mapping impacts and risks, mitigating impacts, audit, grievance mechanisms and collaborating). It indicates that 'in 2017 we expanded our human rights risk assessment to the supply chain and took steps to mitigate the risks identified, for example in the area of cotton farming via our membership to the Better Cotton Initiative. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Public disclosure of salient risks: The Company discloses which are the prevalent human rights risks in its sector, including forced resettlements, child labour, freedom of association and collective bargaining, wages below living wage levels, excessive overtime, forced labour and sexual harassment and gender-based violence. It also indicates that the results of the assessment shows that 'PUMA is pro-actively embedding responsible business conduct in its management processes as well as collaborating with other peers and industry initiatives. On the other hand, practices regarding mapping and assessing risks and impacts in the lower tiers of the supply chain are still reactive and need to be better integrated at the strategic level. The Company discloses a chart showing identified risk areas in the cotton supply chain in India. The Company also discloses the main challenges and how it is facing them. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Action Plans to mitigate risks: The Company discloses a list of challenges that is facing and how it is responding to them. 'Low minimum wage levels leading to incentives of excessive overtime: regular monitoring of wage rates in our factories in comparison to minimum wages'; 'Immature industrial relations leading to anti-union bias among many employers: Freedom of association training for factory management'; 'Inadequate local infrastructure, such as public transport systems: Membership of the Cambodia Road Safety initiative'. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Including in AP supply chain: System and action plans describe actions taken in relation to the supply chain. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Example of Actions decided: As indicated above, following the assessment the Company discloses the challenges that it faces and examples of measures being implemented to deal with them. Another example is the risk of farming cotton in the supply chain in India, which entails the action plan of expand coverage of Better Cotton Initiative via its membership to the initiative. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Comms plan re identifying risks: The Company reports in its annual report how it is carrying out due diligence in human rights through the identification assessment and taking actions in relation to risks in its supply chain. However, no evidence found of the Company communicating how this process also affects the Company's own operations. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Comms plan re assessing risks: The Company demonstrates in its annual report how it communicates that is assessing human rights risks, particularly in its supply chain. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Met: Comms plan re action plans for risks: The Company demonstrates in its annual report how it communicates that is taking actions against identified risks, particularly in its supply chain. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>• Not met: Comms plan re reviewing action plans</li> <li>• Not met: Including AP suppliers: As indicated above, although the Company demonstrates through its annual report how it identifies, assesses and takes actions in relation to human rights risks in the supply chain, no evidence found in relation to tracking how effective have been actions taken and examples of lessons learned.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>



## C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Met: Channel accessible to all workers: The code of ethics, which applies to all employees provides mechanism to report violations, including informing direct manager, internal audit or legal department, and use the 'PUMA Ethics Hotline', operated by Kering. The Kering Group code, included within Puma's code, states that 'any employee may also choose to make direct contact with the worldwide Ethics hotline, set up to register and record issues referred to them and to pass them on to the Ethics Committee(s) concerned'. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Met: Number grievances filed, addressed or resolved: The Company discloses data on complaints received by its team and third-party complaints. Its team received 81 complaints. Topics included fair compensation (43%), freedom of association &amp; collective bargaining (1%), Dignity &amp; respect (6%), Safe working environment (5%), no discrimination (1%), Excessive working hours (7%), employment relationship (35%) and others (1%). It indicates that overall resolution rate remained above 90%. In relation to third party complaints they 'focused mainly on freedom of association, fair compensation and dignity &amp; respect' [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> <li>Met: Channel is available in all appropriate languages: Following Kering's Group code of ethics included within Puma's own code, the hotline handles calls from employees in all the languages into which the Code is translated (English, French, Italian, German, Spanish, Dutch, Russian, Portuguese, Chinese, Japanese and Korean). [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Met: Expect AP supplier to have equivalent grievance systems: The social handbook for suppliers establishes the formal complaint process and describes the different steps to follow. The document also indicates that 'all PUMA factories are contractually bound to pursue business relationships only with Subcontractors that are in compliance with the Handbooks'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Met: Opens own system to AP supplier workers: The social handbook also indicates that 'PUMA offers a confidential, third-party complaints/grievance management process for workers to voice concerns'. Contact numbers and email address of the PUMA sustainability team are displayed in each factory producing for PUMA: 'this information must be provided in the local language and be readily accessible to the workers'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Not met: Grievance mechanism for community</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Describes accessibility and local languages</li> <li>Not met: Expects AP supplier to have community grievance systems: The social handbook indicates the following: 'Independent of the PUMA worker hotline, the Fair Labor Association also offers a formal third-party complaints mechanism, where complaints about violations of the FLA Code of Conduct can be raised by third-party institutions, such as unions or NGOs'. However, it no evidence found of suppliers being required to open their grievance mechanisms to external stakeholders. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Not met: AP supplier communities use global system: The social handbook states that complaints can be raised through the PUMA Sustainability Team: 'PUMA offers confidential, third-party complaints/grievance management process for workers to voice concerns'. However, no evidence found of this channel being open to suppliers' external stakeholders. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>Not met: Engages users to create or assess system</li> <li>Not met: Description of how they do this</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Engages with users on system performance</li> <li>Not met: Provides user engagement example on performance</li> <li>Not met: AP suppliers consult users in creation or assessment</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Response timescales: Although the social handbook provides clear timescales for different steps of the process, these procedures apply to the supply chain. No evidence found in relation to response timescales for complaints made within the Company's own operations. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> &amp; Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Not met: How complainants will be informed: Although the social handbook describes how complainants will be informed, these procedures apply to the supply chain. No evidence found in relation to response timescales for complaints made within the Company's own operations. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a> &amp; Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Escalation to senior/independent level</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Public statement prohibiting retaliation: Although the social handbook contains a requirement against reprisal, and this includes filing complaints through PUMA, no evidence found in relation to similar commitment for PUMA's own employees. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Not met: Practical measures to prevent retaliation: Although the social handbook for suppliers clarifies that in the event of reprisal, 'appropriate disciplinary proceedings will be initiated against those who attempt or implement such behaviours' and that 'the workplace complaints/grievance procedure shall include a plan for reprisals management and shall involve the trade union or workers' council, if such exists at the factory', no evidence found of PUMA's own employees being covered by similar practical measures for their own mechanism. [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Not met: Expects AP suppliers to prohibit retaliation: The social handbook for suppliers states that 'every employee has the right to raise concerns and make reports without fear of reprisal. Threatening reprisals at any stage of a complaints process will be considered a violation of PUMA's CoC and Critical issue. In the event of any threat of reprisal, appropriate disciplinary proceedings will be initiated against those who attempt or implement such behaviours'. However, no evidence found on whether suppliers' external stakeholders can access to these channels and whether the statement against reprisals also cover them in that case. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Won't impede state based mechanisms</li> <li>• Not met: Complainants not asked to waive rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Will work with state based or non judicial mechanisms</li> <li>• Not met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.b	Living wage (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Living wage in supplier code or contracts: In relation to wages the code of conduct states that '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'. However no evidence found on whether wages levels enough to cover basic needs of family and/or dependents. The social handbook includes requirements on wages, however, reference to family and or/dependents has not been found. [Code of conduct, 06/2016: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Not met: Improving living wage practices of suppliers: The Company indicates that in its annual stakeholder meeting, it was discussed potential new initiatives with a view to measuring and implementing fair wages, and the Company considers that 'work towards paying a living wage' is a material aspect and one of the prevalent risks in the garment and footwear sector. The Company indicates that it has implemented the FLA Fair Compensation Strategy, 'this is a multi-year project with three phases and we benefit from their know-how on how to operationalize our commitment for fair compensation'. However, no details found on the specific activities carried out with suppliers to improve living wage practices'. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a> &amp; Sustainability, social website, 26/09/2019: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Met: Provide analysis of trends demonstrating progress: The Company reports performance for the last reporting year on percentage of wages paid above minimum wage both including and excluding overtime and bonuses for its core T1 suppliers. It indicates that 'our suppliers pay significantly above the minimum wage. On average, basic wages are 26% higher. When overtime and bonuses are added, the average premium is 87%. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>
D.2.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Avoids business model pressure on HRs</li> <li>• Not met: Positive incentives to respect human rights: The Company establishes ratings for its suppliers. However, no evidence found on purchasing practices encouraging business practices to act in respect with human rights (i.e. increased orders or longer contracts with good performers). [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
D.2.3	Mapping and disclosing the supply chain	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Identifies suppliers back to product source: As indicated below, the Company discloses the map of its core suppliers. However, no evidence found on whether it has mapped all its manufacturing sites or whether it is working on it. [Sustainability, social website, 26/09/2019: <a href="http://about.puma.com">about.puma.com</a> &amp; Global Core Supplier List 2019, 03/04/2019: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Discloses significant parts of supply chain and why: The Company discloses a document with data of 139 suppliers including the name of the supplier, address, product category, employees. It includes direct and indirect, and indicates that 'PMA's 139 core suppliers factories manufacture around 80% of our apparel, footwear and accessory products. Of the 139 factories, 130 are located in Asia, two in Europe and seven in America. Asia remains our strongest sourcing region, and China and Vietnam are the main supplier countries'. [2018 consolidated financial statements: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability, social website, 26/09/2019: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Child Labour rules in codes or contracts: The code of conduct and the social handbook prohibit the use of child labour. In addition, the handbook requires that 'the factory shall ensure that all employees' files contain adequate documentation proving their legal age'. 'If a child is found to be employed in a factory: The factory shall release the worker from production work. The factory shall undertake appropriate remedial action regarding the child's education; and provide necessary compensation for the loss of income due to removal from work. PUMA will provide additional guidance on expected corrections as appropriate to the specific cases'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Not met: How working with suppliers on child labour</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends demonstrating progress</li> </ul>
D.2.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Debt and fees rules in codes or contracts: The Company has rules against forced labour in its code of conduct and social handbook. Also, 'the factory shall not grant its employees any large credits or salary advances which may result in any form of bonded labor. 'Factory shall not impose fees of any kind on any person applying for employment at the factory. Fees charged by labor recruitment agents or "introduction, referral or management fees" in the host country or community shall be borne by the factory'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Not met: How working with suppliers on debt &amp; fees</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Free movement rules in codes or contracts: The social handbook states that 'all employees shall be free to leave the factory premises during non-working hours. They shall also be free to terminate their employment after reasonable notice'. 'The factory shall keep photocopies of personal ID documents and other qualifications on file for every employee. Employees shall retain the original copies of their own documents'. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.6.b	Freedom of association and collective bargaining (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: FoA &amp; CB rules in codes or contracts: In relation to the rights of freedom of association and collective bargaining, the code states that 'these rights must be given without fear of harassment, interference or retaliation'. The social handbook includes a section with guidelines on this issue, training recommendations and guidance on employee representation. [Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Not met: How working with suppliers on FoA and CB</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made: Although the Company reports percentage of coverage of collective bargaining in different sourcing countries and indicates that only a minority of suppliers have collective bargaining agreements in place, it is not clear which is the trend and whether there is being progress in this matter. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>
D.2.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Sets out clear Health and Safety requirements: In addition to the code of conduct requirements on health and safety, the Company has a handbook specifically for health and safety for suppliers. [Sustainability handbooks - health and safety: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>Met: Injury rate disclosures: The Company reports injury rates in 'major PUMA sourcing countries'. It includes the average figure. Data covers last two reporting years. [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Fatalities disclosures: The Company describes the case of one fatality it had in its supply chain in 2017. [Annual report 2017, 2018: <a href="https://www.puma.com/annual-report-2017">annual-report-2017.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: How working with suppliers on H&amp;S: The Company states that the fatality event accelerated its zero fatal accident project: 'we trained our entire global sustainability team in how to conduct a professional risk assessment. Our team then in turn, trained 130 suppliers on the issue. In addition, our quality inspectors who regularly visit our suppliers, were trained in how to identify potentially dangerous situations at factory level'. It also explains activities in Pakistan in relation electrical fire and structural safety. [Annual report 2017, 2018: <a href="https://www.puma.com/annual-report-2017">annual-report-2017.puma.com</a>]</li> <li>• Met: Provide analysis of trends in progress made: The Company provides figures and explains the comparison against the previous year. It also explains the effectiveness in remediation health and safety issues in comparison with other companies in the accord. [Annual report 2017, 2018: <a href="https://www.puma.com/annual-report-2017">annual-report-2017.puma.com</a>]</li> </ul>
D.2.8.b	Women's rights (in the supply chain)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Women's rights in codes or contracts: The social handbook has a specific section on women workers which includes the following statements: 'women workers shall have equal opportunities in all matters pertaining to employment in the factory including hiring, promotion, wages, benefits, work assignment and termination'. 'Female workers shall not be used for heavy or dangerous jobs, or for jobs which require contact with dangerous substances or those that could have harmful reproductive effects'. [Sustainability handbooks - social standards: <a href="https://www.puma.com/about">about.puma.com</a>]</li> <li>• Met: How working with suppliers on women's rights: The Company indicates on its website that 'we conduct monthly workshops in factories where local NGO representatives train workers on human and women rights. We team up with local non-governmental organization to support women workers in our suppliers' factories in Turkey, Georgia and Egypt. We also facilitate child care access and reduce violence against women together with partner organizations. Since 2008, more than 5000 factory workers have participated in women empowerment and human rights capacity building projects organized by PUMA'. [Sustainability, social website, 26/09/2019: <a href="https://www.puma.com/about">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met: See above</li> <li>• Not met: Provide analysis of trends in progress made: Evidence only found in relation to the percentage of female workers per country. [Annual report 2017, 2018: <a href="https://www.puma.com/annual-report-2017">annual-report-2017.puma.com</a>]</li> </ul>
D.2.9.b	Working hours (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Working hours in codes or contracts: As indicated in the code of conduct (included in the social handbook), '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'. The handbook contains additional guidelines on working hours. [Sustainability handbooks - social standards: <a href="https://www.puma.com/about">about.puma.com</a>]</li> <li>• Not met: How working with suppliers on working hours</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made: The Company reports hours per week of overtime in its different regions and countries. However, which is the actual performance and trend in relation to excessive overtime [Annual report 2017, 2018: <a href="https://www.puma.com/annual-report-2017">annual-report-2017.puma.com</a>]</li> </ul>

## E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• <b>Headline:</b> Cambodian factory workers suffer mass faintings</li> <li>• <b>Area:</b> H&amp;S and Working hours</li> <li>• <b>Story:</b> In June 2017, The Observer and Danish investigative media site Danwatch reported that more than 500 workers in four factories have been hospitalised over the previous year. Women who collapsed worked 10 hour days, six days a week and the temperature in the factories hit 37 degrees celsius.</li> </ul> <p>Workers interviewed as part of the investigation also described 28 people collapsing as they rushed to escape a fire at a factory supplying Nike and thick smoke in a factory supplying Puma.</p> <p>Puma, Nike, VF Corporation and Asics were contacted by the Observer and said they had investigated the episodes. Puma said it was working with Better Factories Cambodia (BFC), as well as recommending medical checks, maintenance of ventilation systems and a worker management committee.</p> <ul style="list-style-type: none"> <li>• Sources: [Danwatch - 25/06/2017: <a href="http://old.danwatch.dk">old.danwatch.dk</a>][The Guardian - 25/06/2017: <a href="http://theguardian.com">theguardian.com</a>]</li> </ul>
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Public response available: Puma has reportedly investigated the allegations at its own facilities and at its supplier facilities. [HRN calls for improvements in working conditions and prevention measures, 06/03/2018: <a href="http://hrn.or.jp">hrn.or.jp</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• <b>Not met:</b> Response goes into detail: Puma’s investigation into its own facilities resulted in a commitment to conducting regular ventilation systems checks in supplier factories. Its response to the allegations included recommendations which include “providing energy bars and medical checks, maintenance of the ventilation system and a worker management committee.” Additionally, the company stated that it was working with Better Factories Cambodia, which is a partnership between the United Nations labour organisation and the International Finance Corporation. However, the company has not provided a response detailing the allegations. [HRN calls for improvements in working conditions and prevention measures, 06/03/2018: <a href="http://hrn.or.jp">hrn.or.jp</a> &amp; Cambodian female workers in Nike, Asics and Puma factories suffer mass faintings, 24/06/2017: <a href="http://theguardian.com">theguardian.com</a>]</li> </ul>
E(1).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Company policies address the general issues raised: Puma’s social and labour compliance standards are based on the ILO Core Conventions, the UNGPs and the UNGC’s 10 principles. The company’s social and labour compliance standards includes a policy on working hours and rest days which elaborates upon general requirements and overtime regulations Puma considers regular working hours violation as a “major issue” and expects suppliers to remediate issues with immediate action or within a reasonable timeframe. In regards to health and safety, the company states “...it is our duty to ensure that these products are manufactured in workplaces where human rights are respected and workers’ health and safety as well as the environment are protected. [Codes and handbooks, 26/02/2019: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• <b>Met:</b> Policies apply to the type of business relationships involved: The company makes clear that its policies apply to employees, vendors and subcontractors. Additionally, “PUMA takes on the responsibility for everybody involved in the production process, whether a PUMA employee or not.” [Code of ethics, 09/2014: <a href="http://about.puma.com">about.puma.com</a> &amp; Sustainability handbooks - social standards: <a href="http://about.puma.com">about.puma.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Policies address the specific rights in question: In regards to working hours, the company states: “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.” In regards to health and safety, the company states: “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.” Additionally,</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			PUMA provides qualitative information on health and safety related to injury rates and fatalities. [Codes and handbooks, 26/02/2019: <a href="http://about.puma.com">about.puma.com</a> & Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a> ]
E(1).3	The Company has taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages with affected stakeholders: The company reportedly undertook an investigation at the facilities in question, but there is no evidence that it has engaged with affected stakeholders. [HRN calls for improvements in working conditions and prevention measures, 06/03/2018: <a href="http://hrn.or.jp">hrn.or.jp</a>]</li> <li>• Met: Encourages linked business to engage affected stakeholders: PUMA states that it recommended to suppliers to provide “energy bars and medical checks, maintenance of the ventilation system and a worker management committee.” Additionally, the company stated that it was working with Better Factories Cambodia, which is a partnership between the United Nations labour organisation and the International Finance Corporation. [HRN calls for improvements in working conditions and prevention measures, 06/03/2018: <a href="http://hrn.or.jp">hrn.or.jp</a> &amp; Codes and handbooks, 26/02/2019: <a href="http://about.puma.com">about.puma.com</a>]</li> <li>• Not met: Provides remedies to affected stakeholders: There is no evidence that PUMA has provided remedies to affected stakeholders.</li> <li>• Not met: Has reviewed management systems to prevent recurrence: There is no evidence that PUMA has reviewed its management systems following the allegations.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims: There is no evidence that PUMA has provided remedies to the victims.</li> <li>• Not met: Has improved systems and engaged affected stakeholders: There is no evidence that PUMA has improved systems and engaged with affected stakeholders.</li> </ul>

## F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	2.7 out of 4	Out of a total of 40 indicators assessed under sections A-D of the benchmark, Puma made data public that met one or more elements of the methodology in 27 cases, leading to a disclosure score of 2.7 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Company reports on GRI: The annual integrated report includes a GRI index [Annual report 2017, 2018: <a href="http://annual-report-2017.puma.com">annual-report-2017.puma.com</a>]</li> </ul>
F.3	Key, High Quality Disclosures	0.5 out of 4	<p>Puma met 1 of the 8 thresholds listed below and therefore gets 0.5 out of 4 points for the high quality disclosure indicator.</p> <p>Specificity and use of concrete examples</p> <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> <p>Discussing challenges openly</p> <ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> <p>Demonstrating a forward focus</p> <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> </ul>

### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.