



adidas' Efforts to Support Workers in the Supply Chain During COVID-19

These are unprecedented times: a worldwide pandemic, creating enormous challenges for the global economy. In the face of these challenges, adidas has been working incredibly hard to ensure business continuity for the company and our supply chain.

We are doing our utmost to support our key supply chain partners, many of whom have worked with us for more than a decade, to weather this storm.

Those efforts include a commitment by adidas to pay for all orders completed, or in process, and to help our strategic partners secure financing from major banks, to maintain their business operations and liquidity.

In all of this, the wellbeing of the workers who make our products remains a central concern. adidas has acted early to help suppliers manage the risk in our supply chain, as outlined below:

- **Acting early in China:** Immediately following the outbreak, we developed health and safety guidance for our suppliers detailing prevention measures; drawing on our experience in handling the SARS crisis. We also provided suppliers with detailed guidance to ensure continuity of pay for workers during the shutdown period, including migrant workers stranded at home who were unable to return to their place of employment.
- **Travel advice:** Well before governments began to issue travel advisories, we shared guidance with our manufacturing partners to encourage Chinese managers to self-isolate for 14 days, if they had work assignments in overseas factories. The suppliers strictly abided by this guidance.
- **Controlling the rate of infection:** With the combined efforts of our business partners, and the actions of the Chinese government, not a single worker in our supply chain in China reported sick from COVID-19. To date, none of our main manufacturing partners globally have reported cases of infection. However, we anticipate that this situation can change, as the virus continues to spread around the world.
- **Promoting self-distancing:** Where factories remain operational, we are promoting self-distancing, strict hygiene, the provision of PPE and regular health checks, in line with local government and WHO guidelines.
- **Best practice sharing:** We continue to monitor the health of all workers and have developed guidance for factories who may have limited access to public health information or services. We have shared examples of good practice and



how to contact trace and self-isolate workers or managers, if they are housed on-site in dormitories.

- **UN engagement:** We have engaged with UN agencies, such as the International Labour Organisation and the International Organisation for Migration (IOM). We recognise that migrant workers are in a particularly vulnerable situation, far from home, and heavily dependent on the support of their employers. This is a special focus for us.
- **Government engagement:** We believe that governments have a central role to play in maintaining economic stability, local job security, and providing emergency relief for those impacted by the coronavirus. We are reaching out to government agencies in each of our main sourcing countries, to understand the legislative and fiscal measures they are putting in place to support local businesses and workers.

We continue to map and track the status of every supplier; their current order book, their general financial stability, and decisions they are taking with respect to their workforce. We expect our business partners to continue to meet, in full, their legal obligations.

It is our belief that in these difficult times, everyone in our industry - concerned stakeholders, governments and businesses - must work together, collectively, to secure the best outcomes. This is essential if workers' lives and livelihoods are to be protected.

adidas remains fully committed to this goal.