



# THE PUMA FOREVER BETTER *SUSTAINABILITY HANDBOOKS*

OCCUPATIONAL HEALTH &  
SAFETY STANDARDS



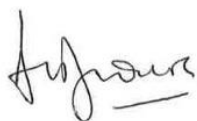
# **FOREWORD**

At PUMA, we believe that our position as a creative leader in the Sports industry gives us the opportunity and the responsibility to contribute to a better world for generations to come. Sustainability remains a key value of the PUMA brand. We are working towards a more just and sustainable future, accelerating positive change in the industry and the world. We believe that by staying true to our values, inspiring the passion and talent of our people, working in sustainable, innovative ways and doing our best to be Fair, Honest, Positive, and Creative, we will keep on making the products our customers love and at the same time bring our vision of a better world a little closer every day.

We aim to bring our trading practices in line with the principles of sustainable development. This means that we do not just want to provide high-quality products, but 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.

PUMA takes on responsibility for everybody involved in the production process, whether they are PUMA employees or not. However, this responsibility can neither replace nor substitute the responsibility of our Vendors within their own manufacturing facilities. Our "Code of Conduct" expresses the expectations we have of our Vendors. It is integrated into our manufacturing agreement, which delimits the business relationship we share with our partners. PUMA takes this shared responsibility seriously. We reserve the right to terminate business relations with any partner who does not respect the letter or the spirit of our Code of Conduct or Corporate Sustainability Policies.

Only by partnering up with our Vendors we will be able to have a positive impact and contribute to making a better world for the communities we operate in, the workers who make our great products, our customers and our own employees and, of course, for future generations.



**Anne-Laure Descours**

Chief Sourcing Officer

~~**FOLLOW**~~  
**MASTER**  
**THE RULES**

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# Introduction

## FOREVER BETTER Sustainability Handbooks

The PUMA Code of Conduct defines clear minimum standard for supply chain partners. Our Code of Conduct is displayed in all our directly contracted partner factories and is also an essential part of purchasing contracts.

The Code's standards are based on International Labor Organization standards and other internationally accepted standards.

PUMA requires all vendors, their subcontractors and their suppliers to comply in full with this Code of Conduct. All PUMA Vendors must have met all minimum legal requirements. In addition, each must comply with PUMA standards (which may exceed legal requirements) as defined in the four (4) PUMA Forever Better Sustainability Handbooks: (the "Handbooks"):

- "Social Standards" elaborates upon PUMA's position on labor rights
- Guidelines for sustainability and environmental protection are contained in "Environmental Standards"
- "Occupational Health & Safety" outlines our standards for and health and safety throughout our supply chain
- Guidelines for Chemicals, Materials and Restricted Substances are in "Chemical Management"

These Handbooks are subject to continuous updates. Any feedback or suggestions for improvement is welcome (contact your PUMA Sustainability Team representative or email [sustain@puma.com](mailto:sustain@puma.com)).

PUMA is committed to ethical and responsible corporate behavior, as prescribed in our Code of Ethics, which our employees and business partners have pledged to uphold.

**Legal Disclaimer:**

*The content of this handbook is not intended to replace local or national regulations, nor will following the guidelines in the Handbooks guarantee compliance with them. At all times, it remains the sole responsibility of our own entities, Vendors and their Subcontractors, to ensure compliance with all applicable local and national regulations, including those labor, worker health and safety, and environmental and product safety.*

# Sec. 1 – PUMA Sustainability Approach

## 1.1 Strategic approach

### SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) define global development priorities for 2030 and aim to join efforts among businesses, governments and civil society around a defined set of targets. The PUMA 10FOR25 Sustainability Targets are linked to the SDGs.

### UN GUIDING PRINCIPLES

The UN Guiding Principles on Business and Human Rights are a set of guidelines for states and companies to prevent, address and remedy human rights abuses. Human Rights are featured with an own target section in PUMA's 10FOR25 strategy.

### POSITIVE IMPACT

Our PUMA sustainability strategy is centered around creating maximum positive impact. This means integrating sustainability into our main business and volume styles.

### PARTNERSHIP WITH VENDORS

Most of our environmental and social impact is created in our supply chain. Therefore, we are working in partnership with our vendors to achieve our common goals - from ensuring fair working conditions and effective pollution controls to the development and use of more sustainable materials.

### STAKEHOLDER DIALOGUE

Striving for a more sustainable world puts us all on the same team. To do our part and become an ever more sustainable company, we depend on what our stakeholders and industry peers share with PUMA. The feedback and expertise of our stakeholders, as well as the collaborations with our industry peers is indispensable for our progress.

In an industry where many suppliers are shared among brands, we cannot do it alone. Therefore, we are working with our industry peers towards harmonizing sustainability standards and joint efforts towards implementing good practices to create positive impact.

## 1.2 Track Record

### JUDGING THE SCORE

Our sustainability department is in constant exchange with PUMA's Managing Directors and top management on sustainability topics. Through executive reports as well as in-person meetings, PUMA aims to keep all internal stakeholders informed to be able to react quickly. In turn, we receive frequent feedback from them as well as external stakeholders.

The Board of Management reports to PUMA's shareholders via the Supervisory Board as well as our Annual Report, which contains a detailed sustainability section.

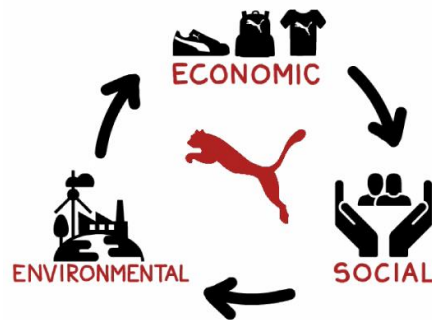
### SUSTAINABILITY TEAM MANAGERS

In terms of sustainability, the highest governance body at PUMA is the Executive Sustainability Committee at SE level. This group of Managers is responsible for the supervision and setting-up of our sustainability strategy. In regular meetings, the members oversee the progress of PUMA against our sustainability targets.

## 1.3 Sustainability Strategy

PUMA has updated its global sustainability strategy that balances three (3) dimensions—**Economic, Social, and Environment** (see Fig. 1)—to achieve sustainable business development. The new strategy includes a drive to mainstream sustainability, create impact and ensure industry alignment.

Figure 1: Three dimensions of PUMA's Sustainability Strategy












## 1.4 Sustainability Targets



\*SDG: United Nations Sustainable Development Goals

Figure 2: PUMA 10FOR25 Sustainability Targets

Target	Definition	Target for 2025
 01 <b>Human Rights</b>	Embedding human rights and compliance to ILO Core Conventions in all our operations and suppliers. Making a positive impact on communities where PUMA is present.	1. 100.000 direct and indirect staff trained on women empowerment 2. 150.000 hours of community engagement (in total) 3. Mapping of subcontractors and major T2 suppliers for human rights risks based on geography
 02 <b>Health and Safety</b>	Reducing injury rates significantly to achieve zero fatal accidents and injury rates below industry average.	1. Zero fatal accidents within PUMA and suppliers 2. Reduce injury rates for PUMA Core Suppliers below 0.5 (per 100 full time employees) 3. Reduce injury rates for PUMAs own staff below 0.5 (per 100 full time employees) 4. Ensure functioning OHS committees are in place at all PUMA entities over 100 staff and all suppliers globally

Target	Definition	Target for 2025
 03 <b>Chemicals</b>	Achieving Zero discharge of all hazardous chemicals from our supply chain.	<ol style="list-style-type: none"> <li>1. Ensure 100% of PUMA products are safe</li> <li>2. Maintain RSL compliance rate above 90%</li> <li>3. Reduce organic solvent usage in core footwear manufacturing under 10gr/pair</li> </ol>
 04 <b>Water and Air</b>	Meeting industry good practice on wastewater quality and air emissions to 90% for PUMA core suppliers.	<ol style="list-style-type: none"> <li>1. Ensure 90% of PUMA Core Suppliers with wet processing comply to ZDHC wastewater guideline foundational level</li> <li>2. Ensure 90% of PUMA Core Suppliers comply the ZDHC Air Quality Guideline (in development)</li> <li>3. Reduce water consumption at PUMA core suppliers by additional 15% (on 2020 baseline)</li> </ol>
 05 <b>Climate</b>	Taking a leading role in Climate Action within our industry and implementing our existing science-based greenhouse gas emission reduction target.	<ol style="list-style-type: none"> <li>1. Align PUMA Climate Target to 1.5 Degree Pathway</li> <li>2. Move all PUMA entities to renewable electricity</li> <li>3. Increase percentage of renewable energy used by core suppliers to 25%</li> </ol>
 06 <b>Plastics and the Oceans</b>	Joining forces on reducing plastic pollution.	<ol style="list-style-type: none"> <li>1. Support initiative and scientific research on microfibers (use phase + production); work with core suppliers to reduce microfiber release</li> <li>2. Eliminate plastic bags from PUMA Stores, review hangers and fixtures</li> <li>3. Research biodegradable polyester options for products</li> </ol>
 07 <b>Circularity</b>	Moving toward a more circular business model.	<ol style="list-style-type: none"> <li>1. Build, setup or join product takeback schemes in major markets</li> <li>2. Reduce production waste to landfill by 50%</li> <li>3. Develop recycled material options for leather, rubber, cotton and PU</li> </ol>



Target	Definition	Target for 2025
 08 <b>Products</b>	Ensuring 90% of our products contain more sustainable materials and components.	<ol style="list-style-type: none"> <li>1. 90% of all PUMA Apparel and Accessories contain &gt;50% more sustainable materials</li> <li>2. 90% of all Footwear contain at least one more sustainable component</li> <li>3. Increase recycled polyester use (apparel and accessories) to 75%</li> </ol>
 09 <b>Fair Income</b>	Mapping and improving wage practices in major sourcing countries.	<ol style="list-style-type: none"> <li>1. Carry out Fair Wage Assessments including mapping of specific wage ladder for top 5 sourcing countries to help improve their wage levels and practices</li> <li>2. Ensure bank transfer payment (to workers) for all core suppliers by 2022</li> <li>3. Ensure effective and freely elected worker representation in all core T1 suppliers through collaboration with other brands</li> </ol>
 10 <b>Biodiversity</b>	Promoting biodiversity by using certified and traceable materials.	<ol style="list-style-type: none"> <li>1. 100% of cotton leather and viscose from certified sources</li> <li>2. Support setting up a Science Based Target on Biodiversity</li> <li>3. Zero use of exotic skins or hides</li> </ol>

Figure 3: PUMA Action Plans on 10FOR25 Sustainability Targets

## Sec. 2 – Compliance

### 2.1 Vendor Requirements

PUMA 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 PUMA Forever Better Sustainability Handbooks. All PUMA **factories** are contractually bound to start and pursue business relationships only with **Subcontractors** that are also in compliance with the Handbook

### 2.2 Conflicting Requirements & Conflicts of Interest

Vendor compliance programs must guarantee compliance with all relevant local, national, and international legislation. In case of conflicting requirements, the stricter regulation prevails.

Factories shall always make company decisions objectively, and free of any bias that could result in a conflict of interest. Examples of potential biases include:

- Business dealings (e.g., having relationships or investment with competitors)
- Social ties (e.g., friends or relatives influencing decisions)
- Other personal considerations (e.g., offering or accepting bribes; receiving gifts from Suppliers, Subcontractors etc.)

### 2.3 Limitations Regarding Antitrust

PUMA will not willingly violate any antitrust legislation by sharing commercial information or other information considered a violation by government authorities. However, we acknowledge that when Vendor compliance programs converge with other business-related activities (e.g., when Suppliers engage in production planning) the compliance-related data may imply some commercial information.

Thus, **Suppliers** are responsible for maintaining the confidentiality of commercial information, and must inform all relevant customers, including PUMA, of what information the Supplier shares with which parties.

### 2.4 Anti-Corruption

Around the world, corruption remains a considerable obstacle to sustainable economic and social development. It threatens the reputations of companies as well as those in their supply chains. Furthermore, new, and stringent anti-corruption regulations continue to emerge worldwide. As a signatory of UN Global Compact, PUMA is committed to uphold the ten (10) Global Compact principles in our operations and supply chain. This commitment includes fighting corruption. As part of this commitment, PUMA has added "Ethical Business Practices" to the PUMA Code of Conduct (see Appendix A). PUMA believes:

corruption impedes business growth, escalates costs and poses serious legal and reputational risks. It also raises transaction costs, undermines fair competition, and distorts sustainable development priorities. **For factories**, corruption can also negatively impact value. It also poses financial, operational, and reputational risks, both for factories and their stakeholders.

As part of PUMA's supply chain, **factories** must implement robust anti-corruption measures and practices to protect against such risks for all potentially impacted parties as follows:

- Conduct regular training to raise awareness on anti-corruption within their organizations
- Conduct an Anti-Bribery and Corruption Risk Assessment
- Develop an anti-corruption policy and program
- Implement a whistleblowing mechanism

## Sec. 3 – Factory Monitoring Programs

### Vendor Due Diligence

Vendors are expected to conduct a due diligence on Human Rights & Labor, Environmental and Integrity risks (Listed in table) as per the recommendations of the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector | en | OECD](#) and the UN Guiding Principles and other relevant Responsible Business Conduct standards.

Human Rights & Labor Risks	Environmental Risks	Integrity Risks
Child labour	Hazardous chemicals	Bribery and corruption
Discrimination	Water consumption	
Forced labour	Water pollution	
Occupational health and safety (e.g., worker related injury and ill health)	Greenhouse Gas (GHG) emissions	
Violations of the right of workers to establish or join a trade union and to bargain collectively		
Non-compliance with minimum wage laws		
Wages do not meet basic needs of workers and their families		

Due diligence is an ongoing exercise process in which Vendors can identify, mitigate, prevent and account for how they address their existing and potential adverse impacts (harmful impact on matters e.g., child labor, discrimination, hazardous chemicals etc.). An enterprise is expected to conduct due diligence on its own activities and on its suppliers across its supply chain and other business relationships. An enterprise shall embed responsible business conduct in own policy and management systems, identify actual and potential harms in the enterprise's own operations and its supply chain. Cease, prevent or mitigate harm in own operation and its supply chain, keep tracking and communicating with relevant stakeholders, provide for or cooperate in remediation when appropriate.

In response to the COVID-19 pandemic and the possibility of future crises, vendors are recommended to conduct their due diligence check virtually when necessary.

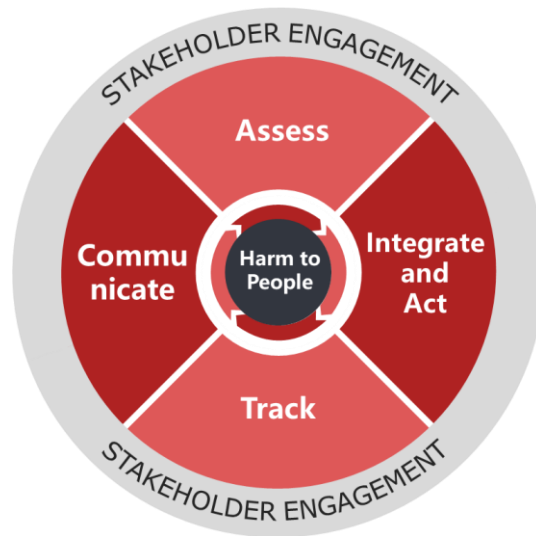


Figure 4: Vendor Due Diligence Process

## *Zero Tolerance ("ZT"), Critical ("CI"), Major ("MI") and Regular ("RG") Issues*

PUMA's system for rating Code of Conduct compliance organizes instances of noncompliance into four categories: Zero Tolerance ("ZT") Issues; Critical ("CI") Issues, Major ("MI") Issues, and Regular ("RG") Issues. When an instance of noncompliance is found, the result is a reduction of the factory's audit score according to the following schedule:

- A ZT results in a 30-point reduction and automatic failure of the audit.
- A CI issue results in a 10-point reduction and a requirement that the factory takes immediate action to remediate, to maintain an opportunity to pass the audit.
- A MI issue results in a 5-point reduction, where the factory may still achieve a passing grade but must nonetheless take action to remediate; and
- An RG issue results in a 1-point deduction. RG issues are considered non-urgent, and factories are given reasonable timeframes in which to address them

For the full list of all Zero Tolerance (“ZT”), Critical (“CI”), Major (“MI”) and Regular (“RG”) Issues, please refer to the Social Handbook. In the Environmental Handbook, we only list the parts that are relevant to the environmental requirement.

**Zero Tolerance (“ZT”) Issues**

Zero Tolerance Issues are unacceptable violation of PUMA’s Code of Conduct. If a ZT issue is discovered, the factory will automatically fail its audit.

There is no possibility for the new supplier to produce any PUMA goods if ZT issues are present.

ZT issues can be found as follows:

NO.	ZT ISSUE	DEFINITION
1	<b>Imminent Danger to Life</b>	Any combination of health and safety conditions in the factory that present an imminent risk or danger to a worker’s life, including unsound factory building structures.
2	<b>Falsified Records</b> (see also PUMA Sustainability Handbooks Social Standards)	In all instances, a false representation of a matter of fact whether by word, conduct, or documentation. Examples include hiding records, illegal practices, (such as coaching workers for falsified answers in interviews, paying bribes or wherein documentation is found to be inconsistent with other records found at the facility, including verification from workers and other entities, such as civil society and government, as may be pertinent).
3	<b>Unauthorized Sub-Contracting</b> (see also PUMA Sustainability Handbooks Social Standards)	Any operation that suppliers carry out in outsourced factories, that has not been approved or audited by PUMA

**Critical (“CI”) Issues**

Critical Issues constitute a serious violation of PUMA’s Code of Conduct. They will be treated with higher priority than other findings. Discovery of one (1) or more CIs may lead to a **failure** of the PUMA Compliance Audit or to a significant downgrade of the final audit grade. CI issues relevant to the environmental requirement are defined as follows:

NO.	CI ISSUE	DEFINITION
1	<b>Missing/Inadequate Professional Risk Assessment</b> (See Occupational Health & Safety Handbook)	This risk assessment should include: general health and safety issues in production processes and devices; fire and electrical safety; mechanical safety; chemical hazards; emissions hazards (including for radiation); confined space hazards; tripping hazards; health risks to vulnerable employees; requirements for frequency of exposure; structure safety; monitoring and prevention; safety control procedures where extreme temperatures may affect workers; fall protection hazards, and other relevant factors.
2	<b>Sub-license Mission (Environment Permit, Fire Safety Permit, etc.)</b>	Missing or invalid fire safety, building safety or environmental license/permit/certification, as legally required by local authorities.

3	<b>Missing Legally Mandatory Fire Fighting Equipment</b>	The factory does not have sufficient firefighting equipment such as smoke detectors, sprinklers, fire buckets, explosive-proof lighting etc., as per legal requirements.
4	<b>Obstructed Emergency Exits and Egress</b>	Proven case of obstructed emergency exit and egress that prevents workers to evacuate freely during emergency
5	<b>Use of Banned Chemicals</b>	The factory uses banned chemicals (as per ZDHC / MRSL).
6	<b>Hostile Work Environment</b>	Proven case of workers being subjected to sexually intimidating, offensive and hostile environment.

### Major ("MT") Issues

Major Issues are crucial violations of PUMA's Code of Conduct. **Suppliers** are expected to remediate issues with immediate action or within a reasonable timeframe.

NO.	MI ISSUE	DEFINITION
1	<b>Overall Management Commitment</b>	The factory does not collaborate with PUMA or does not implement/complete/clear all ZT, CI, and MI issues from earlier PUMA audits. The factory does not adopt policies/procedures and conditions of employment that respect workers' rights, during the tenure of their employment. Any violation of management's overall commitment, such as rules, policies, or practices.
7	<b>Failure to Complete Emergency Reporting to PUMA</b>	Factories shall record accidents that result in work stoppage properly and follow PUMA's "Emergency Reporting Protocol" when reporting accidents and ensure that reports are submitted in a timely manner.
8	<b>Welfare Facilities &amp; Amenities Violation</b> (see Sec. 3.18)	The factory is not in compliance with local legal requirements for the provision of facilities such as dormitories, canteens/kitchens, childcare/crèche, lactation area and/or equipment, etc.
9	<b>No Valid Canteen Hygiene License</b> (see Sec. 3.18.1)	The factory shall obtain a valid canteen hygiene license from the concerned authority where applicable.
10	<b>Missing MRSL Procedure</b>	There is no procedure in place for regular testing of incoming materials for restricted substances (MRSL). The factory does not have a system to keep proper inventory of chemicals such as MSDS, storage, usage and disposal record of the chemicals and appropriate MSDS in local language for all chemicals made available in areas where chemicals are stored/used

### Regular ("RT") Issues

Regular Issues are considered minor violations of PUMA's Code of Conduct. They are treated with lower priority than other issues discovered during the audit. The timeframe for resolving each RI depends on nature of the issues. The PUMA auditor or External Monitor shall provide guidance on the correction and implementation of each issue with factory management during the audit summary meeting.



### 3.1 PUMA's Occupational Health & Safety Policy

**PUMA, its Vendors, and its Vendors' subcontractors** must make every effort to provide all employees with a safe and healthy workplace. Employees are expected to support PUMA's Occupational Health and Safety ("OHS") policy, as well as adhere to all laws and regulations related to health and safety.

This PUMA occupational health and safety policy is aligned with United Nations Sustainable Development Goals \*SDG 3 and 8) This policy also references the Occupational Safety and Health Convention of the International Labor Organization (ILO C155)

**A safe workplace is top priority at PUMA.** Bearing in mind that work accidents cause personal tragedy and financial loss for the company, our aim is to avoid any accidents both at our own operations but also at the contracted supplier factories in our supply chain. We have set a clear and public goal of zero fatal accidents for PUMA and our supplier factories. We recognize that it requires **permanent efforts** to keep a safe and healthy work environment and we are committed to continuously improve our performance by identifying best practices and unacceptable risks. This policy will be regularly reviewed in consultation with staff representatives. Moreover, we acknowledge the importance of creating a health and safety culture, which places health and safety at the centre of every decision at PUMA.

In this regard, it is fundamental to define health not only as the simple lack of disease but as a state of physical, mental, and social well-being. PUMA provides all employees with safe and healthy workplaces and makes any necessary effort to avoid damage to their health. We commit to adhere to all applicable legal requirements, to assess health and safety risks and hazards and to improve constantly by setting up clear, quantifiable, and appropriate strategic goals, objectives and actions that allow us to track and assess our accomplishments and communicate our performance around those goals.

Ensuring the health and safety of all employees is a shared responsibility. It is the duty of each employee to immediately report to their manager any work-related hazardous conditions, injuries, accidents, or illnesses that may arise. PUMA encourages all employees to play an active role in identifying hazards and to offer suggestions or ideas to improve and maintain health and safety throughout the workplace.

To achieve these standards Occupational Health and Safety Committees ("OHSCs", see Sec. 6.2) monitor health and safety conditions and establish protocols to help prevent accidents. Where these committees are required by local law, their establishment, constitution, and maintenance shall conform to, or exceed, local requirements as necessary.

Factory Management has the following OHS-specific responsibilities:

- Providing a safe and healthy working environment for all persons in their employ
- Proactively identifying and potential or existing hazards and promptly addressing them
- Making health and safety of all workers a top priority
- Regularly instructing their staff on OHS initiatives and document these instruction
- Establishing and maintaining a health and safety program.

Factory Management should be supported by OHSCs and OHS specialists (such as OHS engineers and industrial medicine practitioners), who conduct regular checks to comply with local law, or to achieve the aim of zero accidents or work-related illnesses.

PUMA monitors Factory OHS performance on a regular basis to document and ensure that our OHS policy and procedures are followed and in compliance.

## The International Accord for Health and Safety in the Textile and Garment Industry

Negotiations between a representation of international textile retailers and the global trade union signatories to the former Accord on Fire and Building Safety in Bangladesh have resulted in an agreement that continues legally binding commitments to workplace safety in Bangladesh and promises to expand the program to other countries.

PUMA has signed the new agreement, called the International Accord for Health and Safety in the Textile and Garment Industry. It takes effect on 1 September 2021.

Key features of the International Accord include:

- A commitment to focus on the health and safety program in Bangladesh, and on building a credible industry wide compliance and accountability mechanism
- A commitment to expand the work of the International Accord based on feasibility studies
- An option to expand the scope of the agreement to address human rights due diligence
- An optional streamlined arbitration process to enforce the Accord's terms

Our expectation from Suppliers regarding International Accord:

1. All Bangladesh suppliers are required to be covered by the ACCORD program.
2. Timely support on Remediation

## 3.2 Occupational Health and Safety Management System (“OHS-MS”)

### 3.2.1 Management System

PUMA expects all owned entities as well as its Vendors and their Subcontractors to implement an OHS Management System (“OHS-MS”), defined as **a set of consistent and systematic approaches to the implementation of OHS procedures and practices**. OHS-MS may be internally or externally certified according to accepted certifications (e.g. OHSAS 18001 and ISO 45001).

The level and detail of the management system used depend on the size and complexity of the organization using it. Generally, management systems follow a Plan-Do-Check-Act model (see figure) and embody the principle of continuous improvement.

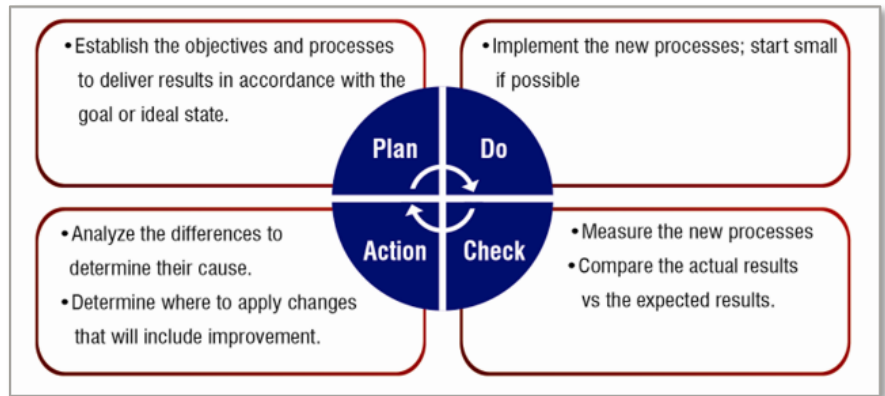


Figure 4: Plan Do Check Act (adapted from ISO)

**The OHS-Management System must include, at minimum, the following elements:**

- An **OHS Policy** with clearly defined goals
- An organizational structure that assigns clear authorization to act on all health and safety issues as necessary (including identifying the responsibilities of the OHS Committee and OHS team, etc.)
- A **Risk Assessment** of OHS hazards and risks associated to the activity, work, or tasks.
- A **corrective action plan** to address any OHS-related issues found
- Establish an OHS Program to set guidelines for activities that, when followed, will eliminate and/or reduce incidents and cases of occupational diseases.
- Communication and training of staff on OHS-related issues
- Measurement of performance against established standards or regulations and collection of OHS KPIs (for tracking and reporting)
- Continuous improvement goals and practices



Figure 5: Main elements of the OHS management system

**An established OHS-Management System makes it possible to:**

- Control risks which otherwise may result in accidents to persons
- Decrease costs associated with errors
- Comply with all legal obligations (and therefore commit fewer, or no violation)
- Communicate the Factory's commitment to protecting health & safety of workers; thereby, improving morale and relations with workers, public authorities, and business partners
- Fulfil PUMA's Sustainability standards regarding OHS and associated reporting of Key Performance Indicators (KPIs)

Employees and management must be actively involved in the planning, practice, and evaluation of the OHS-Management System. A strong commitment from top Factory Management is also needed to successfully implement the system.

### 3.2.2 OHS Committee ("OHSC")

An OHS Committee ("OHSC") plays a very important role in the effective implementation of the OHS-Management Sys, linking the efforts of safety representatives (such as industrial health practitioners and OHS experts), as well as employees, to ensure a safe environment.

**Objectives & Functions**

An OHS Committee is designed to control the measures taken to ensure the safety and health of all employees in the workplace. In carrying out this function, an OHSC shall establish agreed **objectives** or **terms of reference**. One of these objectives shall be promoting cooperation between Factory Management and employees in initiating, developing, and carrying out measures to ensure the safety and health of all employees. To ensure continuous improvement and ongoing monitoring, an OHSC shall be established in every Factory and consist of the following members:

**Chairman** (an individual at the managerial level); and

**OHSC members**, who may include department/section heads, a workers' representative, Trade Union leaders, health officer or company physician, safety officers, etc.

Where local regulations require a specific composition of members—that shall be considered the minimum requirement.

Within the agreed basic objectives of the OHSC, specific functions can be defined. These may include the following:

- Establish a link with the Occupational Health and Safety Branch of the Labour Department.
- Obtain the necessary health and safety permits
- Ensure that the Factory follows all relevant standards.

The **safety officer** shall conduct regular safety inspections and ensure that all hazards are eliminated and controlled where necessary.

Adequate health and safety communication, and awareness building activities in the workplace are required.

Review and study statistics and trends for accidents and workplace illnesses, so that reports can be made to Management on unsafe and unhealthy conditions and practices, together with recommendations for corrective action. Keep records of accidents, illnesses, and relevant activities in the Factory.

Conduct regular meetings at least once per quarter or as per required by local regulations and keep meeting minutes. In municipalities where the local requirement is less frequent than once per quarter, then the PUMA OHS policy requirement of four (4) meetings per year shall apply.

Develop training programs for all employees such as firefighting, emergency evacuation, first aid, etc.

**Resolve** any health and safety issues, if possible. If the committee cannot resolve the problem, it can ask a **labor inspector** or an **external OSH expert** for help

Organize safety-promoting **activities** such as safety competitions, exhibitions, film shows, safety incentive schemes and **processes** for submitting and reviewing suggestions for improving workplace safety.

### ***OHS Committee Training***

PUMA requires that members of the OHSC receive training to enable them to effectively carry out their role and responsibilities. Examples of forms of training may include the following:

- Health and safety basics
- Main hazards and risks associated to activity, task, or job.
- Incident reporting and investigation
- OHS Legal requirements /standards
- Hazard and risk identification
- Workplace inspection
- Effective meetings

Problem solving “refresher” training on the above topics shall be provided **on a regular basis** to ensure all OHSC members have ongoing access to the resources required to fulfill their responsibilities within the Committee.

## **3.2.3 Risk Assessment**

The risk assessment is a process to identify hazards and risks factors that can cause harm or injury, analyse the risks associated with the hazard, and evaluate any existing or missing controls to eliminate or mitigate those risks. Factories shall consider the help of a qualified OHS engineering firm to conduct their risk assessment.

### ***PUMA Requirements for OHS Risk Assessment***

***PUMA required suppliers to set Risk Assessment procedures. The procedures should clearly mention the period of the risk assessment, the specific staff who conduct risk assessment, and which areas are covered. Below are the details of the requirement:***

- Developed by OHS experts using credible methodology
- Risk assessment should be reviewed at least annually. In the case a factory has a new process or new machineries, risk assessment should be conducted without waiting for the regular annual one.
- Risk assessment should cover all areas and involve all staff
- PUMA Sustainability will review factory risk assessment during regular audit to ensure that it is aligned with PUMA requirement. For core factories categorized as Core Tier 1 and Core Tier 2, specific Risk Assessment review will be conducted.
- Failure to conduct proper Risk Assessment will be classified as a Critical Issue during PUMA audit

**Risk Assessment responsibilities**

POSITION	RESPONSIBILITIES
<b>General Manager</b>	<ul style="list-style-type: none"> <li>*Allocate appropriate resources to enable hazards to be identified and risks to be eliminated or minimized and to comply with OHS legislation.</li> <li>*Approve OHS risk assessment and all required actions related to it.</li> </ul>
<b>HR Manager</b>	<ul style="list-style-type: none"> <li>*Define job position/description and/or working hours related to OHS.</li> <li>*Support teams to conduct hazards and risk communication/training.</li> </ul>
<b>Production Manager</b>	<ul style="list-style-type: none"> <li>*Ensure information related to incidents, hazards and risks is reported timely.</li> <li>*Ensure that all areas comply with work health and safety legislation and OHS management system is implemented.</li> <li>*Provide supervisors with necessary instruction, information, induction, training and supervise that work is carried out safely.</li> <li>*Ensure that corrective actions are implemented.</li> <li>*Participate in the development, monitoring and review of the OHS Risk Assessment and the Corrective Action Plan (CAP) that result from it.</li> </ul>
<b>Production Supervisor</b>	<ul style="list-style-type: none"> <li>*Ensure that work areas and equipment are safe and without risk to health and safety.</li> <li>*Provide workers with the necessary instruction, information, induction, training and supervise that work is carried out safely.</li> <li>*Report incidents, accidents and new hazards (in case of any).</li> </ul>
<b>OHS Manager</b>	<ul style="list-style-type: none"> <li>*Lead and develop the OHS Risk Assessment plan, policies, procedures, as well as follow up the CAP implementation, etc.</li> <li>*Provide OHS technical advice to all areas/organization levels</li> <li>*Approve OHS risk assessment and all activities related to it.</li> <li>*Ensure that all hazards/risks are identified.</li> <li>*Develop OHS Management system to eliminate hazards and/or reduce risk.</li> <li>*Develop, record, analyze and report OHS performance metrics.</li> </ul>
<b>Maintenance Manager</b>	<ul style="list-style-type: none"> <li>*Provide technical advice on building construction, machines/equipment</li> <li>*Support teams to conduct safety inspections through checklist.</li> <li>*Ensure that maintenance program is up to date.</li> <li>*Report all issues in terms of OHS.</li> </ul>
<b>Trade Unions/Workers Representatives/OHS Committees</b>	<ul style="list-style-type: none"> <li>*Recommend improvement/initiative to eliminate hazards or reduce the risk.</li> <li>*Support to improve workers' communication and awareness on OHS requirements.</li> <li>*Assist in investigation of incidents, identification of hazard and implementation of OHS corrective actions.</li> <li>*Raise OHS issues/risks to management on behalf of employees</li> </ul>
<b>All Staff/workers/visitors</b>	<ul style="list-style-type: none"> <li>*Take reasonable care of the health and safety of others by implementing risk control measures to prevent injuries or illnesses</li> <li>*Comply with any reasonable safety instruction</li> <li>*Follow any reasonable policies and procedures</li> <li>*Immediately report to managers any work-related hazardous conditions, injuries, accidents, or illnesses that may arise.</li> </ul>

**Risk Assessment Process**

The 5 steps that comprise the risk assessment process are outlined in Table 1, below:

Table 1: Risk Assessment Process

STEP	DESCRIPTION	WHAT TO DO?	EXAMPLES OF WHAT MAY BE ADDRESSED
<p><b>1) Plan and Prepare</b></p>	<p>Define a strategy to develop risk assessment and conduct a process mapping for all employees' functions and operating units.</p> <p>Ensure an expert team of OHS experts conducts the assessment.</p>	<p>OHS expert shall develop a written procedure or flowchart to develop risk assessment: objective, methodology, responsibilities, approval process, references (legal requirements/international rules).</p> <p>Select a credible risk assessment methodology, like OHSAS.</p> <p>Define methodology to map factory processes: factory tour, workers interview, know and understand how machines operate, the riskiest tasks, building construction, fire prevention strategies, existing control measures, etc.</p> <p>Ensure that all functions are included; at least one worker per job position should be involved, Workers Representatives/TU, medical staff, OHS committee, production manager, maintenance area, housekeeping, etc.</p> <p>Define how factory will communicate hazards and risks: signboards, trainings, on-boarding process, OHS signals, etc.</p>	<p>Consider all main and auxiliary processes</p> <p>All employees-all operating units or departments</p> <p>Factory layout and process flow diagrams</p> <p>Building (s) structure</p> <p>Power and electric supplies</p> <p>Fire safety</p> <p>Emergency and evacuation procedures</p> <p>Support facilities (HVAC, WWTP, Power Genset, etc.)</p> <p>All machines, work processes and tasks</p> <p>Surrounding areas outside of buildings</p> <p>Vehicles</p> <p>Accident records</p> <p>Legal requirements</p>
<p><b>2) Identify Hazards</b></p>	<p>Identify hazards for the whole working environment: all processes, even external activities.</p>	<p>Identify associated hazards to any task, process, job position, external activities, areas. Make a hazard classification first and in consequence identify the specific source to this type of hazard to understand who might be at risk and under what circumstances.</p> <p>Conduct individual meetings with all workers: ask them about how the full process is, what kind of hazard they identify at their job position/workplace, if they or any co-worker had any accident, ask if they operate machines, chemicals and how, how many working hours are they exposed to these hazards. Take notes and use this information to assess the risks</p> <p>Check machines instructions, MSDS, SOP's, accident records: this is very helpful to have a deep/clear understanding of what kind of hazards are present at the workplace.</p> <p>Make a factory tour /inspection and take notes to crosscheck information is same as the one collected in previous steps.</p> <p>Ensure that all hazards identified are considered in the classification.</p>	<p>Identify hazards</p> <ul style="list-style-type: none"> <li>- Involving manual work</li> <li>- where machines are used</li> <li>- where both humans and machines are involved</li> </ul> <p>Identify physical risks</p> <p>Consult with workers directly involved in the tasks</p> <p>Rate each hazard according to the <u>Severity</u> rating system</p>
<p><b>3) Analyze risks</b></p>	<p>Analyze the likelihood of accident for</p>	<p>Identify risks: analyze what risks are associated with each hazard. Note that one hazard could have more than one risk.</p>	<p>Conduct a <u>Job Safety Analysis / Job Hazard Assessment</u></p>

	<p>each hazard and assess the risks.</p>	<p>Set up meetings with medical staff to understand risks associated with each hazard: ask your medical staff what could happen to workers exposed to a determined hazard to understand the severity.</p> <p>Check accident records/statistics: review historical accident records and/or statistics to see what kind of injuries or illness occurred in the past and include them to understand the consequences.</p> <p>Calculate the frequency of exposure: use the OHSAS formula to understand the likelihood of exposure to each hazard.</p> <p>Define severity level: use the OHSAS chart to understand how severe the harm could be for each hazard.</p> <p>Define the risk level: use the OHSAS formula and chart to rank each risk.</p>	<p>Identify hazards where workers are likely to be exposed</p> <p>Rate the risks exposure by frequency or duration (Refer to Exposure formula)</p> <p>Calculate the severity of the hazard by the exposure to it (Risk = Severity of Hazard x Frequency of Exposure)</p> <p>Consider existing control measures in place to reduce overall risks</p> <p>Highlight major and potentially fatal risks</p>
<p><b>4) Control Risks</b></p>	<p>Identify and implement the needed measure to control the risks</p>	<p>Follow hierarchy of controls: analyze control measures options to eliminate, remove, substitute the hazard or reduce the risk level, considering from the most effective to the least effective ones.</p> <p>Check with machinery and chemical suppliers if there is a safer option with the same functions to replace the machine or chemical.</p> <p>Consider existing control measures: to understand if it is necessary to add control measures or if the existing ones are efficient.</p> <p>Check if control measures are effective and comfortable: meet with all staff involved and get approval from workers, trade unions, OHS committees involved before implementing new control measures.</p> <p>Ensure that all tasks, activities, or process have control measures.</p> <p>It is preferable to use collective control measures than individual ones.</p> <p>Develop written procedures for control measures: ensure that everyone is aware of and what is the required maintenance to ensure that control measures are efficient.</p> <p>Ensure that all OHS related areas are included: humidity, wind speed, air quality, noise level, temperature, lighting, ventilation, temperature, dust, volatility of organic chemicals, vibration, etc.</p>	<p>Rank / prioritize the risks</p> <p>Plan <u>Control Measures</u> and set KPIs</p> <p>Consult with staff in the area</p>
<p><b>5) Monitor &amp; Review Measures</b></p>	<p>Monitor &amp; review the effectiveness of control measures</p>	<p>Factories need to establish a process/program to measure the effectiveness of the control measures and /or the effectiveness of the OHS management plan, e.g.:</p> <p>Internal or external audits to check the effectiveness of the OHS management plan.</p>	<p>Set dates to monitor and review</p> <p>Check if <u>Control Measures</u> are implemented according to plan, and are effective and maintained</p> <p>Evaluate if hazards are eliminated, risks mitigated.</p>



		<p>Safety checklist to inspect the fire equipment, safeguard machines, lockout and tagout, electrical systems, housekeeping practices at all areas, lift trucks, ladders, maintenance program: to check that all machines are working properly</p> <p>Use test results from OHS physical agents (noise, temperature, etc.) to apply control measures and avoid workers are affected.</p>	<p>Set up and use KPI's to measure OHS performance over the months/years.</p>
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**Risk Assessment Template**

It is possible to formalize the results of the risk assessment in a template, such as in the following example which is divided in 4 steps: (see Table 2 below):

Step 1: Hazard and Risk Identification

Table 2: Risk Assessment Template – Example

HAZARD AND RISK IDENTIFICATION					
DEPARTMENT	JOB POSITION	JOB DESCRIPTION	HAZARD CLASSIFICATION	HAZARD	RISK
PRODUCTION	SEWING	Operate sewing machines in order to perform garment sewing operations. It includes joining, reinforcing, and decorating garments or parts of garments. The process include the use of needles, operators need to be seated for long hours and make repetitive movements.	MECHANICAL	NEEDLES	HAND AND EYE INJURIES
			ERGONOMIC	UNCOMFORTABLE CHAIRS	Musculoskeletal disorders

Step 2: Risk Evaluation

RISK EVALUATION			
LEVEL OF EXPOSURE	SEVERITY	RISK VALUE	RISK LEVEL
4	3	12	HIGH
4	2	8	MEDIUM

Step 3: Definition of Control Risk Measures

<b>DEFINE CONTROL MEASURES</b>
<b>ACTIONS TO IMPLEMENT</b>
Provide needle guard to sewing machines, train in the procedure to dispose broken needles, keep a record of broken needles, provide training about how to prevent accidents involving needles. Make a weekly/monthly check list to chek that sewing machines have their needle guard.
Provide ergonomic chairs, provide recovering time( muscle relaxation time), train workers about ergonomic ´hazards and how to reduce the exposure to risks associated.

Step 4: Residual Risk Evaluation

<b>RESIDUAL RISK</b>			
LEVEL OF EXPOSURE	SEVERITY	RISK VALUE	RISK LEVEL
4	1	4	<b>MEDIUM</b>
4	1	4	<b>LOW</b>

*For additional guidance on risk assessment methodologies and tools to meet specific needs, please refer to local health and safety authorities specializing in this area, or professional health and safety engineering firms.*

### 3.2.4 Key Performance Indicators

Tracking relevant KPIs not only ensures compliance to legal, industry, and internal standards, but also enables the organization or factory to monitor performance over time. PUMA therefore requires the tracking of the following KPIs:

- Number of total Accidents with hours of work stoppage per year
- Number of Fatal Accidents per year
- Number of Work- Occupational Diseases per year
- Injury rate (i.e., number of Injuries with hours of work stoppage per 100 full-time employees per year)

*The Glossary of this Handbook (see Appendix C) contains additional OHS KPIs that may be of interest, along with definitions for relevant terms.*

## 3.3 Definitions & Calculations of OHS Hazard and Risks

### 3.3.1 Hazard Frequency of Exposure (“FoE”)

The Frequency of Exposure (“FoE”) is defined as “the likelihood that a person or worker will be exposed to an OHS hazard.” FoE is quantified for risk evaluation and its levels are defined below.

To quantify the risk of a hazard, we calculate an employee’s frequency of exposure at different exposure levels in Table 3 below (based on one employee working 40 hours week @50 weeks a year = 2,000 hour per year: or for 100 employees = 200,000 hours per year).

Table 3: Hazard Frequency of Exposure

EXPOSURE LEVEL	FREQUENCY OF EXPOSURE		
	(local exposure/ total exposure, h/h)	@ 1 person / task	@ > 1 person / task
1 = Improbable	0.000 – 0.006	1 man-hour per month	12h/2000 = 0.006
2 = Remote	0.006 – 0.025	1 man-hour per week	50h/2000 = 0.025
3 = Occasional	0.025 – 0.125	1 man-hour per day	250h/2000 = 0.125
4 = Probable	0.125 – 1.000	8 man-hours per day	2000h/2000 = 1.00
5 = Frequent	> 1.00	> 8 man-hours per day	> 1.00

For a situation involving sewing lines with 50 workers exposed to a hazard in electrical panel, working 10 hours per day, the risk would be measured according to the following formula:

= 50 workers x 10h per day x 5 days x 50 weeks = 125,000 hours per year

= 125,000 hours per year / 200,000 hours per year = 0.625 → Hazard FoE Exposure Level = 4

### 3.3.2 Severity of Hazard

The severity of a hazard can range from minor to fatal in its categorization (see Table 4 below):

SEVERITY	DESCRIPTION
1 = Minor	No significant risk of injury
2 = Moderate	Potential for minor injury
3 = Serious	Potential for moderate injury
4 = Critical	Potential for severe injury
5 = Fatal	Likely to result in death

Table 4: Hazard Severity Categorizations

### 3.3.3 Risk Evaluation – Calculation

Risk evaluation is quantified by calculating the combined severity of a hazard and frequency of exposure, according to the formula below:

$$\text{Risk} = \text{Hazard Frequency of Exposure} \times \text{Severity of Hazard}$$

Using this formula, one can calculate the risk rating of different hazards at different exposure levels. Below is an example risk for electric leakage of an electrical panel:

Frequency of Exposure: At the sewing line, exposure level is probable = 4

Severity of Hazard: Electric leakage from electrical panel is categorized as a fatal hazard = 5

Risk Rating = 5 x 4 = 20

Refer to the risk matrix below to identify level of priority

Table 5: Risk Matrix

SEVERITY	LEVEL OF EXPOSURE				
	1 LOW	2 RARE	3 FREQUENT	4 VERY FREQUENT	5 EXTREMELY FREQUENT
1 = Minor	1	2	3	4	5
2 = Moderate	2	4	6	8	10
3 = Serious	3	6	9	12	15
4 = Critical	4	8	12	16	20
5 = Fatal	5	10	15	20	25

### 3.4 OHS Hazard Control Measures

The **Hierarchy of Control** is a system used in industry to minimize or eliminate risk exposure, that encourages the use of the following Control Measures for risk mitigation:

1. Elimination
2. Substitution
3. Engineering controls
4. Administrative controls
5. Personal protective equipment ("PPE")

#### 3.4.1 Level 1 Control Measures – Eliminate the Hazard

The most effective mode of hazard elimination is **prevention**, or not introducing the hazard into the workplace from the start.

Level 1 Control Measures eliminate the source of a hazard completely. As such, Level 1 controls are the most effective measures for reducing all risks associated with hazards.

*For instance, the risk of a fall from height can be eliminated by having the work performed at ground level instead. Risk may also be eliminated by removing the hazard completely, such as by removing trip hazards on the floor or properly disposing of unwanted chemicals immediately (rather than storing them onsite, for example).*

Hazard elimination is often **cheaper and more practical** to achieve during the design or planning stage, whether for a product, process, or workplace. In these early phases, there is greater scope available to 'design out' and eliminate hazards, or to incorporate risk control measures that are compatible with fundamental design and functional requirements.

*For example, a noisy machine may be designed and built to produce as little noise as possible, which is a more effective risk mitigation approach than providing workers with personal hearing protectors at a later stage.*

In some cases, it may not be possible to achieve Level 1 control and eliminate a hazard completely if doing so disrupts the manufacture of the product or service to be delivered. If the hazard cannot be eliminated, then the next best available option is to take measures to remove as many risks associated with the hazard as possible (see “Level 2 – Minimize the Hazard” below).

### 3.4.2 Level 2 Control Measures – Minimize the Hazard

If not reasonably practicable to eliminate the hazards and their associated risks, these risks shall be minimized using one or more of the following approaches according to the Hierarchy of Control level:

**Substitute the hazard with something safer** - For instance, replace solvent-based paints with water-based ones.

**Use engineering controls** - An engineering control is a control measure that is physical in nature, including a mechanical device or process. For instance, using mechanical devices such as trolleys or hoists to move heavy loads; place guards around moving parts of machinery; install residual current devices (electrical safety switches); Another example is isolating the hazard from people involved physically separating the source of harm from people by distance or using barriers. For instance, install guard rails around exposed edges and holes in floors; use remote control systems to operate machinery; store chemicals in a fume cabinet.

**Use administrative controls** - Administrative controls are work methods or procedures that are designed to minimize exposure to a hazard. This may include, develop procedures on how to operate machinery safely, limit exposure time to a hazardous task, and use signs to warn people of a hazard.

**Use personal protective equipment (PPE)** – Note that the use of PPE is considered the least reliable of control measures and provides lowest levels of protection. PPE use is vulnerable to human error and should be considered the last resort.

## 3.5 Incident Investigation & Reporting

During Incident investigations, it is important to emphasize that the overall purpose of the investigation is not to allocate blame, but instead to **establish the circumstances surrounding an incident or disease and identify measures to prevent a recurrence**.

Please note the following definitions:

An **Incident** is an unplanned event that result in personal injury or property damage which is worthy of recording. Incidents are not limited to accidents but also include situations that almost lead to an accident.

An **Accident** is an unplanned and sudden event leading to the injury of a person or damage of goods that was considered unpreventable.

A **Notifiable Accident** is an accident that needs to be reported to the local authorities (definitions may vary depending on local regulations).

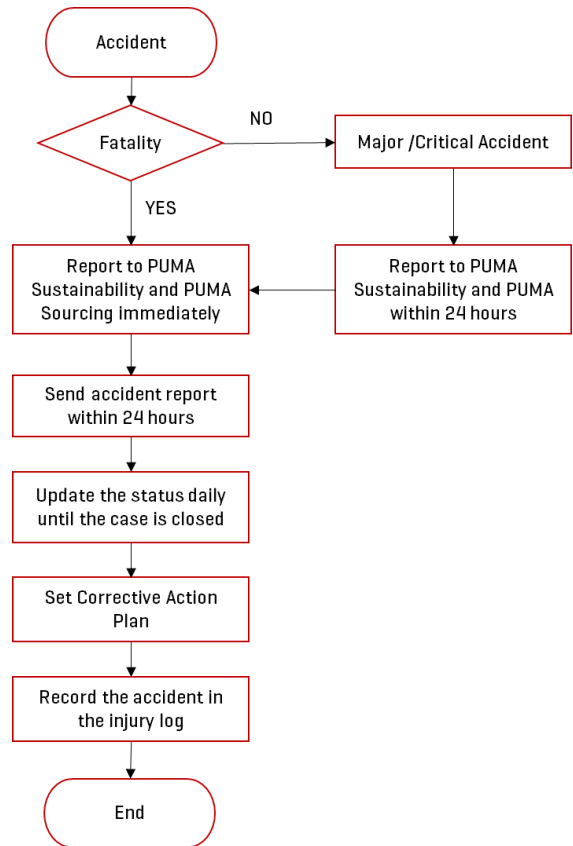
An **Occupational Disease** is a disease caused by factors related to the workplace (e.g., loss of hearing due to long-term exposure to noise in the workplace).

A **Reportable Disease** is a disease considered to be of public health interest.

### 3.5.1 PUMA Emergency Reporting Protocol

PUMA created an Emergency Reporting Protocol for suppliers to ensure that reliable and concrete information regarding any emergency is provided to PUMA within 24 hours. This information shall accurately reflect the emergency’s causes and consequences so that PUMA can respond appropriately and based on facts. **The protocol applies to apparel, footwear, and accessories factories (as well as affiliated facilities) involved in processing and manufacturing PUMA’s products and product components.**

Figure 6: Flowchart PUMA Emergency Reporting Protocol



For further details and a form to report emergencies to PUMA, please refer to Appendix C.

There are three (3) types of emergency cases falling under the scope of the emergency protocol:

**Fatal:** An Accident leading to the death of an employee.

**Major / Critical:** An Accident resulting on a permanent disability or illness that leaves an employee unable to return to the same job or similar tasks.

**Major / Serious:** An Accident resulting in a severe injury or illness that causes temporary disability to the employee (but allows them to return to the same job after treatment and recovery). Lost working time is more than one-man-day.

### 3.5.2 Incident Investigation

**All Incidents, Occupational Diseases, and Reportable Diseases shall be registered in a centralized incident (and/or disease) register and investigated to determine their causes. Corrective actions shall be taken where necessary.**

For less severe incidents, Health and Safety Engineer shall carry out the investigation.

For more severe incidents, a team including the Health and Safety Engineer, Factory Management and worker representatives will lead the inquiry.

For very severe or fatal accidents, police and/or local authorities need to be informed and conduct the investigation.

Investigating Incidents and Occupational or Reportable Diseases will lead to:

- Establishing the surrounding circumstances
- Conclusively determining the cause(s)
- Considering appropriate actions to prevent a recurrence
- Fulfilment of statutory obligations to report where applicable
- Development of effective monitoring procedures and assistance in decision-making, planning and future resource allocation
- Provision of feedback in the development of safe systems of work

**Recording Information (Establishing the Circumstances)**

**The person or team investigating the Incident (or Occupational or Reportable Disease) shall gather as much factual information as possible early in the investigation.** Examples of factual information may include the following:

- The names of all persons involved, as well as any witnesses present
- The personal details of the injured person (and/or details of ill health or damage to the plant) and the extent of the injuries, damage, or ill health
- The type of work being performed when the incident took place
- The exact location of the incident (photographs, sketches and/or plans may prove useful)
- The time and date of the incident
- The conditions at the time of the incident (e.g., weather, ground conditions, lighting, etc.)
- Interviews with the injured persons and witnesses (interviews shall be carried out as soon as possible to optimize their accuracy)
- An analysis of how the incident occurred, including the identification of probable causes.
- A conclusion of the main causes and the control measures to be taken to avoid that accident occurs again.

The investigation of notifiable accidents shall always be carried out immediately after the occurrence of the accident. Sketches, photographs, and written statements shall be included in the incident investigation report as supporting material. It is important to keep the record including the follow up process as a reference to prevent recurrence.

### ***Determining the Causes of an Incident***

Once the necessary information has been gathered on the circumstances surrounding the Incident, the investigator must then determine the causes of the Incident. While it is important to assess the immediate cause of an Incident, ***it is even more important to identify the underlying causes that may have initially allowed the incident to transpire.***

The immediate or direct causes of Incidents usually relate to:

An unsafe condition in the workplace such as poor housekeeping, defective machinery, inadequate lighting, ineffective control measures; and/or

Unsafe acts carried out by employees, such as the failure to use personal protective equipment or using equipment without an authorization.

These immediate causes often arise because of contributory or underlying causes, generally related to the working arrangements in place and organizational management, e.g., inadequate safety policy, an insufficient risk assessment, a lack of training of employees, unsafe machinery, or excessive use of overtime or pressure.

***All causes of Accidents, when identified, must be entered in the report form PS-Accident-001 and PS-Accident-002 (see Appendix C and D).***

### ***Taking Appropriate Corrective Action***

Every attempt shall be made to identify suitable corrective actions for all the causes identified, both immediate and underlying. In some cases, it may be possible to remedy the cause immediately, such as replacing a missing machine guard, disposing of a hazardous chemical, or repairing defective Local Exhaust Ventilation ("LEV").

***When required corrective actions are confirmed, the details of the subsequent plan shall be entered in the report forms PS-Accident-001 and PS-Accident-002 (see Appendix C and D).*** The corrective actions resulting from the incident shall be completed within the time limits recorded in the report form. When they are completed, the forms shall be updated to include the date of completion.

All actions taken shall be reviewed by the Health and Safety Engineer to ensure their efficacy.

### ***Circulating the Results of the Investigation***

To obtain the maximum benefits of the investigation, ***the Factory must ensure that the results are circulated to those individuals who may need to act on them, as well as to those who might find them of interest or of use.*** Individuals who may fall into these categories include:

The OHSC

Managers and supervisors, including those working in the area where the incident occurred, and those in other departments where similar work processes are carried out or similar equipment used

Personnel staff, including those responsible for implementing new training arrangements and changes in job descriptions

Other relevant persons, including safety representatives, OHSC members and safety advisers, medical staff, workers' representatives, where appointed

PUMA Sourcing/Production management located at the factory or responsible for the Factory (only in cases of fatalities or major/critical incidents)

PUMA's Sustainability Team (only in case of fatalities or major/critical incidents)

### ***Training***

For the accident reporting and investigation procedures to be successful, both the employees and managers involved must be competent to carry out their roles.

Suitable training must be provided employees and managers alike to ensure that these duties will be properly carried out.

Employees must be informed of the reporting procedure, the location of the accident book, and the procedure for adding entries.

Supervisors and managers must be informed of their roles and responsibilities in an investigation and, if applicable, their role in accident notification requirements under local laws and regulations.

## **3.6 Safety Management Guidance**

### **3.6.1 General Machinery, Equipment & Tool Safety**

Specific safety measures may be applied to the use of different machines and tools to minimize the risk of harm to all employees. This section provides an overview of safety procedures for the following:

- Machine Guarding
- Elevators & Lifts
- Forklifts
- Electrical Safety
- Control of Hazardous Energy

As part of the OHS management system factories must do an identification of all machines, equipment and safety tools in order of Implement a periodical documented check list to check that all machines, equipment and safety tools are in good conditions or working efficiently.

#### ***Machine Guarding***

Machines with moving parts have the potential to cause severe workplace injuries. Any machine part, function, or process that may cause injury must therefore be strictly safeguarded. When the operation of a machine or accidental contact with it can injure the operator or others in the vicinity, PUMA requires that the hazards must be controlled or eliminated.

Examples of preventative measures to reduce the risk of injury from machines include:



***Design the machine in a manner that removes dangerous parts (or exposed dangerous parts).***

The following steps are listed in order of preference, and may be used in combination:

1. Eliminate the cause of the danger
2. Reduce or eliminate the need for employees to be in contact with the dangerous part(s) of the machine
3. Make access to the dangerous parts difficult (or provide safety devices so that access does not lead to injury)
4. Provide protective clothing or equipment to reduce risk of injury
5. Establish a failsafe mechanism to protect the operators

***Make any dangerous parts of the machine inaccessible to prevent employee contact.***

To do this, the guarding system shall incorporate the following principles:

Select the appropriate guard for the machine

Ensure that the guard cannot be removed or defeated

Ensure that the guard does not constitute a secondary hazard

Prioritize the use of the simplest guard type possible (e.g., a fixed guard with no moving parts)

***Train the machine operators (and all personnel who may approach the machine) in the appropriate operating safety procedures.***

Ensure that the operators understand the procedures and that they always use them

To meet the minimum general requirements to protect a worker against mechanical hazards, safeguards must do the following:

Prevent hands, arms, and any other part of a worker's body from being in contact with dangerous moving parts  
Be difficult to remove or tamper with

Ensure that no objects can fall into moving parts  
Create no new hazard  
Create no interference

Fixed guards provide the highest standard of protection. Whenever practical, these shall be used where access to the dangerous area is not required during normal operation of the machinery. The following gives guidance on the selection of safeguard types depending on the circumstances:

Where access to the danger area is not required during normal operation, the following safeguards are recommended:

Fixed guard, where practical  
Distance guard  
Trip device

Where access to the danger area is required during normal operation, PUMA recommends implementing this expanded list of safeguards:

Interlocking guard  
Automatic guard  
Trip device  
Adjustable guard  
Self-adjusting guard  
Two-hand control

***Elevators & Lifts***

An elevator is defined as a permanent hoisting and lowering mechanism with a car or platform, moving vertically and serving two (2) or more floors of a structure. The term excludes such devices as conveyors, tiring or piling machines, material hoists, skip or furnace hoists, wharf ramps, lift bridges, car lifts and dumpers.

***The following safety measures apply to the use of all elevators:***

A valid safety inspection certificate (or a copy of one) shall be posted in each elevator.

Each elevator shall have a sign stating whether it is intended for passenger or freight use and indicating its load capacity.

"Elevator Use Safety Tips" shall be posted in each elevator. Appropriate warning signage regarding the dangers of using elevators during emergency situations (e.g., "in case of fire or emergency do not use") must be posted outside the elevator door at each level.

Elevators must have doors, and the doors shall be equipped with interlock devices that prevent the door from opening unless the elevator is present.

Elevators must be wired to be inoperable when the doors are open.

Emergency call devices or other communications tools shall be installed in each elevator.

### **Forklifts**

**Forklifts** (also known as lift trucks) are used in daily operation in many Factories, primarily to move materials. They can be used to move, raise, lower, or remove large objects or a few smaller objects on pallets or in boxes, crates, or other containers for short distances.

#### ***The following safety measures apply to the use of all forklifts:***

Only workers with a valid driver's license or certificate for forklifts shall be authorized to operate them

Forklifts shall never be used to uplift persons, unless a dedicated and safe equipment (e.g., a box secured against slipping from the fork and with handrail) is available for this purpose

Forklifts must undergo regular and documented maintenance

Understand the characteristics and capacity of the forklift thoroughly and never overload it.

Travel only at a safe speed, particularly over uneven ground. Respect speed limitations.

Do not use as a crane unless the correct accessory is fitted, and unless the weight of the object plus accessory is less than the capacity of the truck.

Only use the approved roadways when travelling to reduce the risk of colliding with people.

The forklift shall be equipped with mirrors, warning lights and audible signals for reverse travel.

The forklift shall be equipped with rollover protection, protection against falling objects, and seat belts or other restraints for the operator. Forklifts shall also be equipped with fire extinguishers.

### **Electrical Safety**

Electricity and its sources pose serious workplace hazards when not regularly inspected, placing employees at risk of electrocution, electric shock, electrical burns, fire, falling, and explosions.

The following rules shall be observed to ensure electrical safety in the workplace:

Only authorized personnel licensed for electrical work are permitted to repair, adjust, test or service electrical equipment. In certain regions, this requires that the factory hire an external certified contractor to complete these tasks.

Applicable local and national codes and regulations must always be followed. Live electrical equipment or electrical component parts must be grounded, isolated or provided with other means of protection to prevent potential exposure to employees.

All electrical equipment must be in safe condition before using. The maintenance department must remove all defective equipment and keep it out of the workplace until it is repaired or replaced.

Personal portable electrical equipment (such as heaters) must be approved prior to use.

Do not overload electrical equipment or electrical outlets. Only use approved extension cords and outlets.

Only extension cords that are intended for the equipment and conditions associated with the operation are permitted. Cords must be grounded and inspected prior to use to assure proper grounding.

Electrical devices, such as junction boxes and distribution panels, must be closed, undamaged, and not be misused for direct connection with machines.

Wires must be well-insulated, replaced if damaged, and protected against mechanical damage and damage from heat where necessary.

Clear warning signs must be erected in high-voltage areas that warn against all “non-authorized access” and “improper storage inside the high voltage area”. Warning signs shall be installed on all equipment and facilities as required by law.

Regular maintenance and inspection programs shall be carried out for all electrical equipment. Inspection frequency depends on the local country regulations, type of equipment, the environment it is used in, and the frequency of use. Related maintenance records and external inspection reports shall be kept as required.

All employees must be trained in electrical safety rules and reporting procedures for electrical deficiencies

**Control of Hazardous Energy (Lockout/Tag-Out)**

Lockout/Tag-Out ("LOTO") refers to specific practices and procedures to safeguard employees from the unexpected re-energizing or start-up of machinery and equipment, or the release of hazardous energy during service or maintenance activities.

Factories must have written lockout/tag-out and maintenance procedures to keep maintenance personnel and equipment operators safe during operations such as lubricating, clearing or un-jamming of machines, needle changes, or changing of dies or machine parts.

Each piece of machinery or equipment must have its own electrical, pneumatic, or hydraulic disconnect switch or valve so that the individual machine or piece of equipment can be isolated from the others, so when workers are exposed to electrical risks the five golden rules should be follow:

1. Disconnect from the power supply
2. Prevent reconnection (Lock-off)
3. Test for absence of harmful voltage
4. Carry out earthing and short-circuit
5. Protect or close nearby live parts!

As part of the OHS management system factories shall do an Identification of lockout/tagout devices and Implement a periodical documented check list to check that the devices used to lockout or tagout machines are in good conditions or working efficiently.

Trainings must ensure that employees understand the purpose, function, and restrictions of the Lockout/Tag-Out program.

**"Authorized" employees** are those responsible for implementing the Lockout/Tag-Out procedures or performing the service or maintenance activities. They require knowledge and skills necessary for the safe application, use, and removal of energy-isolating devices.

**"Affected" employees** (usually machine operators or users) operate the relevant machinery or have jobs requiring them to be in the area where service or maintenance is performed.

**All other employees** are those whose work operations are, or may be, in an area where Lockout/Tag-Out process is applied.

**Factories must provide training specific to the needs of all three categories of workers.** The following is an overview of required trainings:

**"Authorized" employees**

Hazardous energy source recognition.  
The type and magnitude of the hazardous energy sources in the workplace; and  
Energy-control procedures, including the methods and means to isolate and control those energy sources.

**"Affected" employees**

Recognize when the energy control procedure is in use,  
Understand the purpose of the procedure, and  
Understand the importance of not tampering with Lockout/Tag-Out devices and not starting or using equipment that has been locked or tagged-out.

**All "other" employees**

Instruction regarding the energy-control procedure  
The prohibition against removing a Lockout/Tag-Out device and attempting to restart, reenergize, or operate the machinery

### **Special Work Permits**

Special work permits are required for work in areas **capable of causing serious injury and/or death to employees**. The following are classified as special work environments:

#### **CONFINED SPACE**

Large enough and so configured that an employee can bodily enter and perform assigned work

Has limited or restricted means for entry or exit (e.g., tanks, vessels, silos, storage bins, hoppers, vaults, and pits)

An isolated place in the facility that is not suitable for long term operation for workers

A space that is not frequently attended to or occupied by employees but has high risk of Accidents occurring is also considered a confined space, and thus requires a special work permit. All tasks conducted in confined spaces, whether routine or emergency-related, must always be attended to by at least two personnel.

#### **HOT WORK**

Any process that can be a source of ignition when flammable material is present or can be a fire hazard regardless of the presence of flammable material in the workplace

Common hot work processes are welding, soldering, cutting and brazing. When flammable materials are present, industrial processes such as grinding, and drilling become hot work processes

#### **WORKING AT HEIGHT**

Work, in any place, occurring over six (6) feet above the ground

#### **EXCAVATION WORK**

Any man-made cut, cavity, trench, or depression in the Earth's surface formed by earth removal

\*Each employee proceeds excavation work or work nearby shall be protected from a cave-in/fall-in by an adequate protective system

All employees who are authorized as special work permit work supervisors, attendants and operators, and sub-contractor personnel **shall be trained and certified in these operating procedures**.

The training shall be performed upon initial assignment of such work, and refresher trainings will be conducted annually to keep employees' understanding of policies as up to date as possible

The training may be conducted by the department manager or supervisor, or coordinated through the Safety Department

The workers expose to these special works should pass the medical examinations for the required task.

The training shall include the following:

Definition of the scope of work requiring a special work permit

Information regarding hazards, risk and Control Measures

An overview of work procedures

Responsibilities of the entrant and attendant

The control measures that should be apply during the special works

Rescue/emergency procedures

A special work permit system must be put in place to ensure all hazards are evaluated and that proper precautionary measures and controls are taken, both before entering special work permit areas and while working inside of them (See Appendix B). Each cancelled/completed permit and related documents for special work permit training, incidents, medical issues, and risk assessment shall be documented and retained for one year by the department conducting or supervising the entry. Retaining records in this manner enhances the ability to audit the training program's effectiveness and make improvements wherever necessary.

## 3.6.2 Chemical Safety Management

Every worker has the need and the right to know the identities and hazards of substances he/she is exposed to when at work. **A documented Chemical Safety Plan must be implemented in every workplace, no matter the number of chemicals used at the factory or their Levels of Hazard.** The key elements of Chemical Safety Management include a hazard assessment to highlight greatest risks, and steps to minimize chemical and fume exposure:

### **HAZARD ASSESSMENT**

Prior to using new chemicals, an assessment of potential hazards must be completed.

Specific guidelines and protection procedures shall be developed based on the findings from the assessment.

The result of the assessment shall be documented and communicated to those workers whose work involves the chemicals or is relevant in any way.

Supervisors shall develop and promulgate process-specific guidelines and communicate the implementation of protective procedures to reduce risk of harm.

### **MINIMIZE CHEMICAL EXPOSURE**

To minimize the Risk of Exposure to chemicals, several control measures shall be taken, including substitution (wherever possible), engineering controls, administrative controls, and the usage of proper personal protective equipment.

### **PROVIDE ADEQUATE VENTILATION**

The best way to prevent exposure to airborne substances is to prevent their escape into the working atmosphere with exhaust fans, hoods, and other ventilation devices.

All workstations where chemicals are used (such as in spot cleaning) must be isolated using a separate enclosure and shall be strategically located near windows or other openings.

Exhaust air must be completely removed and either filtered or released outside of the workplace.

### **Chemical Safety Plan**

The major elements of a Chemical Safety Plan include procurement, responses to spills, storage (and maintenance of storage facilities), first aid resources, communication policies, safety training, and disposal. This section provides an overview of each of these major elements and as minimum factories shall do a Health and Safety Assessment as the one recommended by ZDHC guidelines:

Some parameters suggested for health & safety assessment are:

- General housekeeping and maintenance of machinery, piping and other equipment for leakages, pressure gauges, heat emissions, etc.
- Emergency response equipment (eye wash and body showers), First-Aid boxes, engineering controls, electrical wiring, heat exchangers, boilers, ventilation, secondary containment, spill kits, assembly points, etc.
- Safety precautions at all solid and hazardous waste collection and storage areas
- Ergonomic risks associated with repetitive tasks for work-related musculoskeletal disorders
- Expiry, adequacy and appropriateness of PPE
- Records of incident management with preventive actions implementation
- Regular training and emergency/mock drills to all workers and staff on chemical handling and Health & Safety measures
- Emergency contacts for responsible persons, First-Aid, nearest hospital, fire station, etc. to be displayed prominently throughout the facility

### **PROCUREMENT AND DISTRIBUTION**

Whenever a request for procurement (replacement or replenishment) of a chemical is raised, the following must be confirmed (with internal staff and the vendor, as required):

Chemicals will be issued only to authorized requestors

Assurance that the vendor will choose the least hazardous chemical among available options

Location of planned use

Assurance that engineering controls, if required, are adequate

Containers must have adequate labels, identifying the contents of the container and associated hazards (those that do not, shall not be accepted)

Appropriate equipment, such as hand pumps, shall be used to transfer chemicals from one container to the other.

Crude methods of transfer, such as pouring chemicals from one container to another without the use of a suction arrangement, can lead to spillage or chemical exposure and must be strictly avoided.

### **CHEMICAL SPILL MANAGEMENT BASED ON ZDHC GUIDELINES**

Adequate equipment shall be available to handle spillage of hazardous chemicals in a manner that protects the health of the workers handling the spillage, as well as the environment (examples of this include sand or similar liquid binding substances for handling oil-spills)

**Factories can prevent spillages by:**

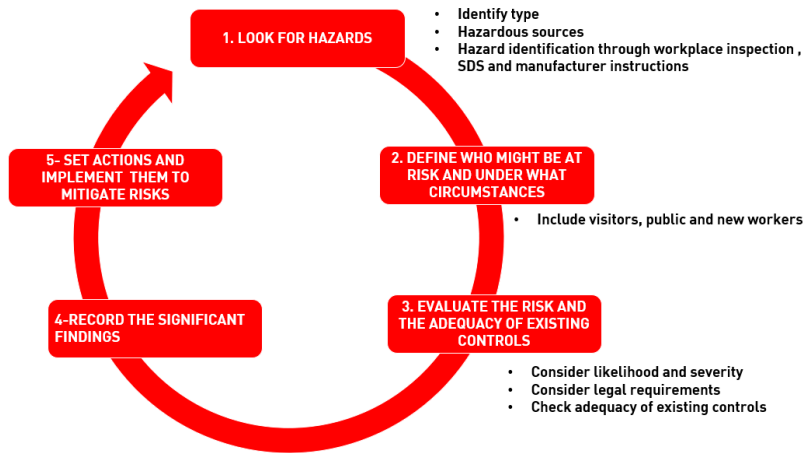
- Checking containers on delivery for any cracks or damage before storage
- Ensuring safe handling practices (such as mechanized or manually driven trolleys) for internal movement of chemical containers
- Proper stacking of containers in slotted angle racks in the chemical stores to prevent their falling over

**To contain any spillages, factory shall follow the below measures:**

- Secondary containment for chemical containers to arrest the spread of spillage
- Spill control kits: This should contain
- Sawdust, sand, or any other absorbent container to absorb the liquid spill
- Broom, shovel, and gloves
- an empty container marked "Hazardous Waste"
- A trolley to keep these items (for taking them quickly to the spillage place)
- Refer to Safety Data Sheet (SDS) and manufacturer's instructions for corrective action and if PPE is needed

The procedure for containing spillage is as follows:

- Communicate the spillage to the stores in-charge person
- Move the 'Spill Kit' to the place of spillage on an urgent basis
- Sprinkle sand or other absorbent material around the outskirts of the spill area to stop the flow or spread, in case of a liquid spill
- Sprinkle absorbent material on the complete area of the spill to absorb the spill
- Use the broom and shovel to collect the material containing the spilled chemical (waste), using protective gloves
- Transfer the collected waste to the plastic container marked "hazardous waste"
- Send the spilled waste to hazardous waste storage area for disposal to an authorized third -party waste contractor
- If liquid spills enter drains, these should be connected to the effluent treatment plant
- Return the spill kit to the allocated place at the Stores



## **CHEMICAL STORAGE AREAS**

Chemicals shall be stored in a location earmarked for the purpose and the said location must comply with the guidelines provided below (according to the size of the chemical storage room)

### **Emergency lighting**

- The chemical storage area shall be provided with adequate emergency lights with a minimum of one-hour individual battery backup

### **Floors and aisles**

- Floor finish shall be slip-resistant and impermeable
- Floors and aisles shall be protected against spillages to the outside, ground or groundwater
- Aisles shall be at least 1.1m wide
- Doors shall not open directly into passageways

### **Entrances and exits**

- Both regular and emergency exits shall be marked clearly
- Doorways shall be unobstructed and swing in the direction of the escape route
- Exits must be entirely free of the presence of hazardous materials

### **Ventilation**

- Chemical storage areas shall be ventilated separately from the rest of the building and exhausts must be released at a safe distance from the building
- Storage area shall be ventilated by at least four (4) changes of air per hour. The chemical storage exhaust from the building ventilation system must be isolated
- Activated carbon filters shall be added where necessary to avoid emission of hazardous chemicals to the air

### **Storage**

- Stored chemicals shall be arranged in compatible families according to their components rather than in alphabetical order
- Storing chemicals on shelves above eye level shall be avoided
- Chemicals must be located far away from water sources
- Appropriate secondary containment arrangement must be provided
- Chemicals stored in the workplace or in mixing areas shall not exceed the maximum amount of the daily usage allowed in the workplace





Figure 7: Chemical storage

Table 6: Classification of Chemicals for Storage

<b>Class of Chemicals</b>	<b>Recommended Storage Method</b>	<b>Incompatibles</b>	<b>Chemical Example</b>
<b>Corrosive Acids (Inorganic)</b>	Store in a separate protected acid storage cabinet (DO NOT store on metal shelves)	Flammable liquids and solids, bases, oxidizers, organic acids	hydrochloric acid, sulfuric acid, chromic acid, nitric acid
<b>Corrosive Acids (Organic)</b>	Store in a separate protected acid storage cabinet (DO NOT store on metal shelves)	Flammable liquids and solids, bases, oxidizers, inorganic acids	acetic acid, lactic acid, trichloroacetic acid
<b>Bases</b>	Store in a separate storage cabinet	Flammable liquids, oxidizers, poisons, and acids	potassium hydroxide, sodium hydroxide
<b>Flammable (Liquid and Solid)</b>	Store in a flammable storage cabinet, dry cool area	Acids, bases, oxidizers, and poisons	acetone, benzene, methanol, toluene, solvents
<b>Oxidizers</b>	Store in non-combustible cabinet with secondary containment	Reducing agent, flammables, organic materials and combustibles	Sodium hypochlorite, potassium permanganate, peroxydes, nitrates, perchlorates
<b>Water Reactive Chemicals</b>	Store in dry, cool location protected from sprinkler system, label "WATER REACTIVE"	Oxidizers and water	Sodium metal, potassium metal, lithium aluminum hydride

#### **OTHER FACILITIES**

**Fire extinguishers:** Tri-class ABC fire extinguishers (with a minimum gross weight of 5.5 kg) must be kept in the chemical storage area. A fire alarm calling point is mandatory. An eyewash station, along with a head shower and fire blanket, must be provided. Care must be taken in deciding the location of the eyewash station, and proper means of draining water from it without wetting the storage area must be established. A separate storage area for PPEs such as aprons, nose-masks, goggles shall also be provided within the facility. A separate wash area near the exit of the chemical storage area shall be provided with adequate supplies of soap solution and towels. (see Sec. 10.3.1)

**Drainage:** Proper drain facilities must be provided to ensure that the chemical storage drain does not go to the general drain or into the soil below the storage facility.

**Signage:** An "Authorized Personnel Only" sign must be displayed at the entrance of chemical storage areas.

### **HOUSEKEEPING, MAINTENANCE, & INSPECTION OF THE CHEMICALS ROOM**

#### **Cleaning**

- Floor and equipment shall be cleaned regularly
- Employees involved in housekeeping activities at the chemical storage area must be properly trained on safety-related issues for such tasks

#### **Inspections**

- Chemical safety inspections need to be conducted, at least once every quarter, to ensure the following:
  - Adequate safety equipment is available and functioning
  - Personal protection is available
  - Chemicals are properly stored
  - Material Safety Data Sheets ("MSDSs") are readily available
  - Good housekeeping practices are in place in practice
  - Spill kit and first aid kits are adequately stocked
  - Chemical safety inspections must be documented showing details of necessary corrective actions taken, where relevant

### **MEDICAL SAFETY: FIRST AID KITS AND EXAMINATIONS**

#### **First aid kits**

- A first aid kit with all required contents must be provided in the chemical storage area
- At least two (2) employees who are regularly employed in or near the chemical storage area must be trained, to administer first aid and, on procedures for responding to chemical exposure

#### **Medical examinations**

- Workers whose jobs expose them to chemicals (e.g., spot cleaning and printing workers, workers involved in housekeeping of the chemical storage area, etc.) must complete a medical examination at least once per year
- Medical examination results must be documented alongside any measures taken to reduce exposure for workers whose medical examinations reveal negative impact from chemicals

### **PERSONAL PROTECTIVE CLOTHING AND EQUIPMENT**

The Factory shall provide those employees who handle chemicals with proper Personal Protective Equipment ("PPE") and clothing in accordance with the MSDS for each chemical.

### **COMMUNICATION, SIGNAGE AND LABELING**

All notices and signs must be displayed in the regional language as understood by all employees in the workplace. Prominent signs and labels of the following types shall be posted:

Emergency telephone numbers

Location signs for eyewash and head showers, fire extinguishers, spill kits and first aid kits

Warning signs in areas or for equipment where special or unusual hazards exist

All chemical containers (irrespective of size or degree of employee familiarity) shall be labelled in the regional language as understood by majority of the workers. The label shall, at a minimum, contain the following information:

1. **Product Identifier**

*This is the name of the chemical product that is the same as mentioned in the SDS. This is also the name that is used by the supplier in their Purchase Contracts with the Chemical Formulator.*

2. **Signal Word**

*A signal word is used to "signal" the relative level of severity of hazard to the reader of the label. The signal words used in the GHS are "Danger" and "Warning".*

**Danger** is mostly used for the more severe hazard categories

Figure 8: Chemical Labelling

**Warning** is mostly used for the less severe hazard categories

3. **Hazard Pictogram**

*These are images that convey the hazard pictorially. GHS has harmonised hazards into 9 pictograms. Each pictogram is an image inside a red diamond on a white background. The pictogram is related to the hazard class and category of classification as per the GHS, which is conveyed through the Hazard or H-Statement(s). The **Material Safety Data Sheet ("MSDS")** shall be available for all chemicals with hazard classifications used in the factory. The MSDS is designed specifically for use in the workplace, and shall contain comprehensive information about each chemical present, providing Factories and workers with concise, relevant and accurate information to better understand the hazards, uses and risk management of each chemical product in the workplace. The content of a MSDS is standardized and contains 16 sections (see below):*

- |                                       |   |                               |
|---------------------------------------|---|-------------------------------|
| 1. Identification                     | 6. Accidental release measures              | 10. Stability and reactivity  |
| 2. Hazard(s) identification           | 7. Handling and storage                     | 11. Toxicological information |
| 3. Composition/ingredient information | 8. Exposure control and personal protection | 12. Ecological information    |
| 4. First aid measures                 | 9. Physical and chemical properties         | 13. Disposal considerations   |
| 5. Fire-fighting measures             |   | 14. Transport information     |
|                                       |   | 15. Regulatory information    |
|                                       |   | 16. Other information         |

All chemicals used shall comply with PUMA's Manufacturing Restricted Substances List as detailed in the PUMA Sustainability Handbook – Chemicals Management.

**INFORMATION AND TRAINING ON THE USE OF CHEMICALS**

Provide information and training on the use of chemicals to ensure that all individuals at risk are adequately informed about the work involving chemicals, its risks, and what to do if an exposure occurs. Hazard communication training is required of all employees who handle, transport, or use chemicals, or who work in areas where chemicals are stored. Relevant information shall be provided at the time of the employee's initial assignment to a work area where hazardous chemicals are present or during the induction session, in the case of fresh recruits.

As minimum factories must consider include in the chemical training content:

Chemical hazards and identification, MSDS/SDS, signage, compatibility and risk, proper storage and handling, PPEs, and procedure in case of emergency, accidents, or spill, access restriction to chemical storage areas, potential environmental impact of the chemicals in tanks, the physical protection provided to employees in the area(s) where the factory uses, stores and transports these containers, and their individual duties associated with monitoring and maintaining this protection

**DISPOSAL OF CHEMICALS**

Because safely disposing of hazardous wastes can be time-consuming and expensive, every effort shall be made to limit hazardous wastes generated in the first place. Wherever possible, Factory Management shall plan processes



carefully and order only what is required for production processes. Factory Management shall ensure that waste disposal (such as dry sludge from the effluent treatment plant, used machine oil, etc.) is conducted in strict accordance with the provisions of local law.

Unwanted chemicals and related wastes shall be disposed of promptly, using appropriate disposal procedures. Such materials, as well as chemicals that are no longer needed, must not accumulate in the laboratory.

Hazardous chemicals must be packaged for disposal as follows:

- Containers must be suitable for contents (e.g., hydrofluoric acid in plastic bottles)
- Containers must be tightly closed
- Containers must not be overfilled (expanding vapours may cause containers to break)
- Containers must not be damaged
- Cracked caps must be completely sealed with plastic tape
- Containers must be labelled properly

See the **PUMA Forever Better Sustainability Handbooks – Chemicals Management** for more information.

### 3.6.3 Fire Safety

Fire is the most common type of emergency that can occur in a factory. Fires can be a subject of major concern and a danger to the workplace if appropriate safety measures are not strictly followed.

A fire safety management system for the workplace must be in place to always ensure fire safety and shall be comprised of the four (4) key elements summarized in the figure below.

This management system can be adapted for other emergency situations for the facility, as well.

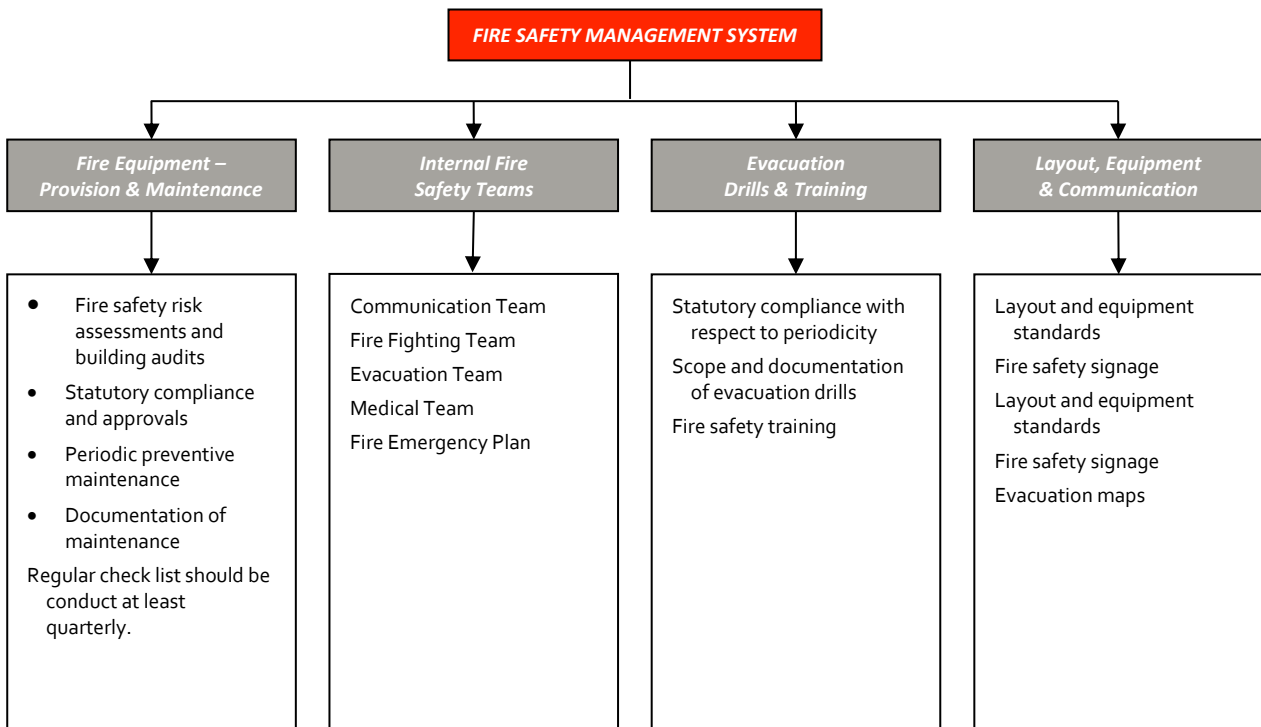


Figure 9: Fire safety management system

**Fire Equipment: Provision & Maintenance**

Fire safety equipment must be provided in the factory in a manner that fulfils minimum legal requirements for what types of equipment are needed and in what quantities. This equipment must be always readily accessible to employees (or authorized employees). Fire safety equipment may include, but is not limited to, the following:

**PORTABLE FIRE EXTINGUISHERS**













- Adequate number and type of portable fire extinguishers must be provided in every section of the Factory, based on the type of fire risk involved (see Table “Fire Extinguishers Types and Applications”) below for recommendations based on fire risk
- Only approved portable fire extinguishers shall be used to meet the requirements of this section
- The Factory shall ensure that portable fire extinguishers are maintained in a fully charged and operable condition

Portable fire extinguishers must always be kept in their designated places, except during use

Table 7: Fire Extinguishers Types and Applications <sup>1</sup>

		FIRE CLASS & MATERIAL INVOLVED
--	--	--------------------------------

<sup>1</sup> Source: <http://www.femalifesafety.org/types-of-fires.html>;

		<b>CLASS "A"</b>  <b>Ordinary Combustibles</b> e.g., wood, paper, cloth, trash, and plastics.	<b>CLASS "B"</b>  <b>Flammable Liquids</b> e.g., gasoline, petroleum oil and paint.	<b>CLASS "C"</b>  <b>Electrical Equipment</b> e.g., wiring, fuse boxes, energized electrical equipment, computers, and other electrical sources.	<b>CLASS "D"</b>  <b>Combustible Metals</b> e.g., magnesium, titanium, potassium, and sodium require special extinguishers labelled D.	<b>CLASS "K"</b>  <b>Cooking Oils &amp; Greases</b> e.g., animal fats and vegetable fats.
<b>Appropriate Fire Extinguishers Type</b>	Water - Air-pressurized Water Extinguishers (APW)		n/a			
	Carbon Dioxide Extinguishers (CO <sub>2</sub> )	n/a		n/a		
	Multi-purpose - Dry Chemical Extinguishers				n/a	
	Water and foam fire extinguishers			n/a		
	Dry and wet Chemical Extinguishers for kitchen fires	n/a				

**IMPORTANT NOTES:**

DO NOT use water to extinguish flammable liquid fires or electrical fire. In case of electrical fire, the electrical equipment must be unplugged or de-energized before using a water extinguisher to address a fire.

It is not recommended to use CO<sub>2</sub> for Class A fires. Class A fires may continue to smoulder and re-ignite after the CO<sub>2</sub> dissipates.

DO NOT use CO<sub>2</sub> extinguishers in confined spaces where employees are working without providing them with proper respiratory protection.

**FIRE ALARM CALLING POINTS**

Each floor or section of the Factory requires one or two fire alarm call points, which must be installed along aisles, escape routes, or near exits. The following specifications are also required:

An electrically operated fire alarm system (battery backup must also be provided)

A centralized wiring arrangement in each building so that all hooters are activated when any one of the call points is raised

The system must produce a sound that is unique and distinct from any other bells used, such as the lunch bell or bell raised to signify the start or end of a shift

#### ***FIRE HYDRANTS, SMOKE DETECTORS AND AUTOMATIC SPRINKLER SYSTEM***

Fire hydrant points of appropriate number (as specified by local law) must be provided

Smoke detectors and automatic sprinkler system needs to be provided (if required by provisions of local law)

#### ***OTHER FIREFIGHTING EQUIPMENT***

When legally mandatory, the Factory must provide the following additional fire safety equipment:

Sand and water buckets

Manila rope

Fire-resistant helmets, gloves, boots, and clothing

Fire blankets

#### ***SPECIALIZED ESCAPE EQUIPMENT***

Specialized escape equipment may be needed when fighting fires in specific conditions. Examples of specialized escape equipment include basic gear, such as harnesses, or larger equipment, including fire trucks. It is important to assess the feasibility and practicality of investing in such equipment, depending on the capacity of local firefighting authorities. Specialized equipment may be used only by fully trained and authorized personnel.

#### ***PERIODIC PREVENTIVE MAINTENANCE***

All fire equipment must undergo regular preventive maintenance to ensure it remains in good working condition. The following protocol apply to periodic preventive maintenance:

A preventive maintenance program shall be in place

Procedures, protocols and accountability of preventive maintenance must be clearly documented and communicated

Maintenance checks must be properly documented

#### ***FIRE EMERGENCY PLAN***

It is essential that companies develop a robust documented fire emergency plan which includes the action to be taken by all staff in the event of fire. In some countries It is defined by law, but as minimum It should contain:

- An Identification, analysis of the possible fire emergencies
- Hazards, risks, and risks control measures
- A clear explanation about what to do in case of a fire (emergency procedure)
- Warning, notification and communication procedures
- Location and use of emergency equipment
- Firefighting team responsibilities
- How Fire drills will be conduct
- Information fo the Emergency contacts
- Evacuation maps
- Identification of the Machines or Power That Must Be Shut Down

#### ***Internal Safety Teams***

Depending on the size of the Factory, employees from every section shall be organized into different teams to handle exiting during an emergency, as detailed below.

Table 8: Internal Safety Teams

<b>Communication Team</b>	Members of the Communication Team are responsible for communicating the emergency to external bodies such as the fire brigade, calling for medical assistance, and other communication-related responses. The members of this team must be trained and informed about emergency numbers, preparing communications and calls during a fire, etc.
<b>Firefighting Team/ Fire Brigades</b>	<p>Firefighting Team members are responsible for stopping the fire, using available firefighting equipment like extinguishers, fire buckets, etc. Time is critical in any fire situation, so members of this team must be very well trained and be able to act decisively under time pressure.</p> <p>Though there are cases where facilities are equipped with comprehensive firefighting equipment (including fire trucks when local official firefighting capacity is ill-equipped or too distant), Firefighting Teams are not expected to be solely responsible for putting out a major fire.</p> <p>Where the capacity of local firefighting authorities may be inadequate or help is delayed, Firefighting Teams must only address the types of fire scenarios they are equipped and trained to manage.</p>
<b>Evacuation Team</b>	<p>The Evacuation Team is responsible for smooth evacuation of the Factory. This team would be trained in evacuation activities, such as aiding physically challenged workers, including pregnant women, the elderly, and persons with difficulties to evacuate.</p> <p>Because occupants of welfare facilities on-site, such as children in crèches and day care must be given highest priority, designated caretakers must be fully trained in evacuation, as well.</p> <p>The Evacuation Team is also responsible for ensuring that 100% of individuals inside the Factory and areas affected by the fire evacuate.</p>
<b>Medical Team</b>	The Medical Team will be responsible for assessing the need for and providing first aid or additional medical care, as required.

All personnel, including subcontractors working in the facility, must be aware that only authorized and trained personnel shall perform specific safety functions. **The safety policy and procedures must be taught to all personnel, including subcontractors, immediately after they begin, starting on their first day of work.** No individual who has not received training shall participate in emergency response: well-intentioned employees attempting to handle certain kinds of emergencies may instead risk putting themselves and others in danger. For more information on training employees to respond to fire emergencies, contact PUMA's Sustainability Team (see Appendix for contact information).

**Evacuation Drills & Training**

**EVACUATION DRILLS**

Once a Factory conducts a risk assessment and identifies potential emergency scenarios, an evacuation scenario for each shall be included in all emergency drills. Evacuation drills and fire safety training must be held periodically, according to local safety and labour laws. In the absence of local stipulations, PUMA requires that evacuation drills be held at least once per year. The objectives of these periodic evacuations include:

- Identifying any weaknesses in the evacuation strategy, as well as in emergency procedures and systems
- Testing the procedure after any recent changes in the factory layout, working practices, etc.
- Familiarizing new employees with evacuation procedures

Evacuation drills shall be conducted in a manner that includes all sections of the Factory. Wherever applicable, such drills shall be conducted separately at the dormitories, both during daytime periods and at night when workers are staying inside the rooms, to prepare all employees for evacuation in as many scenarios as possible.



The completion of evacuation drills shall be properly documented in the form of an evacuation drill log. The log shall record all necessary information, such as the number of employees and visitors present, time taken to achieve complete evacuation of all employees, etc.

The following guidelines shall be kept in mind before a drill is conducted:

Communicate details regarding plans for the upcoming drill and inform employees of their duty to participate. It may not be beneficial to have 'surprise' drills as the health and safety risks that may arise may outweigh the benefits that an unexpected drill could yield. Ensure that this type of exercise is coordinated with the respective authorities.

Ensure that emergency services (fire brigade, etc.) are aware that the drill will be taking place, and that they do not have to respond to the actions of the Communication Team. It would be beneficial if officials are present to observe the proceedings.

Confirm that maintenance staff or service company representatives are available to restore services and plants (such as mains, boilers, generators, etc.) once the drill is completed.

### **FIRE SAFETY TRAINING**

Basic fire safety training must be conducted periodically, provided to all employees during their orientation training, and conducted regularly thereafter. Minimum requirements for fire safety training include instruction on the following:

- What Is a fire
- Fire hazards at their workplace
- Evacuation route and exits
- Location fire alarm calling point or other alarm activation methods, as well as how to use it
- Employees expected to be trained as members of any of the four (4) Firefighting Teams must

receive annual training. Minimum training requirements include:

- Training on the use of fire extinguishers and other related equipment
- Fire Emergency Plan
- Firefighting responsibilities
- Training on communication needs during fire emergencies
- Training on providing specific first aid during fire emergencies

Specific physical and psychological requirements must be considered when identifying employees eligible for fire training (for example, an employee who is physically weak or mentally hesitant to fight fire shall not be trained or retained on the Firefighting Team).

### **Layout, Equipment, & Communication**

The requirements for layout, fire equipment installation standards, and fire safety communication at all Factories are provided below:

#### **LAYOUT**

An **exit route** is a continuous and unobstructed path of exit travel from any point within the workplace to a designated assembly point. The following guidelines apply to all exit routes:

There must be at least two (2) exit routes in every workplace to ensure the prompt evacuation of employees

The location of exit routes must be as far away from one other as is practical so that if one exit route is blocked by fire or smoke, employees may evacuate using the second exit route

An additional exit route is required inside the workplace if the number of employees, building size and occupancy, or the arrangement of the workplace will not allow all employees to evacuate safely through two (2) exit routes during an emergency

All exit routes must meet the following minimum height and width requirements:

- The ceiling must be at least at 2.3m high

- The exit route must be at least 71.1cm wide at all points to maximize exit access. Where there is only one (1) exit access leading to an exit or exit discharge, the width of the exit and exit discharge must be at least equal to the width of the exit access

Care must be taken to ensure that all exits are kept fully unobstructed, even temporarily, always

One exit is sufficient for rooms where less than 30 people work. The same applies to workplaces considered to have only one room, such as in open-plan mezzanine floors.

*For exit route doors, the following requirements apply:*

Doors shall open outwards and will not open into aisles and walkways

All doors shall have a width equivalent to at least the width of the stairs

Under no circumstances shall doors be locked when any individuals are inside the building

*For aisles and corridors, the following requirements apply:*

Main aisles shall be clearly defined using yellow lines. These yellow lines shall be continuous and lead to exits in a manner clear to all employees.

Main aisles must be unobstructed (by anything that could impede movement, including unattended push carts, temporary workstations, cartons or piles of materials).

Primary aisle width shall not be less than 1.1 meters. Secondary aisles shall have a width of at least 0.8 meters.

All stairways must be designed according to the following parameters:

Stairway width shall not be less than 1.1 meters

Stairs, platforms, landing, and other parts shall be made of incombustible material

All stairways shall be kept clear of any obstruction

Stairways shall lead directly to the street or any open space

## **EQUIPMENT**

The installation of fire equipment installation must comply with all applicable fire safety laws in terms of numbers, types, and locations of all equipment.

## **COMMUNICATION**

We provide below the requirements for fire safety signage and related communication. All signage and information related to fire safety must be provided and displayed in the regional language or the language understood by most of the workforce. Where a substantial number of workers present are not fluent in this language, all steps must be undertaken to ensure that all workers, including subcontractors, are given access to these resources in a language they can understand. All signage and information provided must be readable from a distance, and, wherever necessary, be posted at standard eye level. It is imperative that signage is not obstructed by any material to ensure it may be read by all workers. The following guidelines apply specifically to evacuation route plans and signage, respectively:

### Evacuation route plans:

Must be visibly displayed on every floor at or near exits or passageways

Maps shall include:

- Floor layout regarding machinery and workstation placement
- Location of fire equipment, first aid kits, and all exit/emergency exit points
- Arrows showing the direction of the closest exit or emergency exit

Map size shall be sufficient to be read from two (2) meters

Where it is not feasible or practical to have legible evacuation maps posted in all sections of a facility (for example in large warehouse facilities), escape arrow markings, or other indicators shall be used

### Signage:

Position marking with respect to all fire equipment is required, including pictures and words (on walls, red marks on pillars, etc.)

Usage instructions must be posted near fire equipment

Every major section of the Factory requires information on fire emergency precautions, protocols and instructions

Every section of the Factory must display the phone numbers that can be used to seek help during fire emergencies. A restriction box must be marked on the floor under each fire extinguisher, so that no object is placed there, and it always stays free of obstructions. The purpose of the restriction box shall be explained to all workers.

### 3.6.4 Emergency Preparedness & Response – Natural Disasters

A **natural disaster** is defined as a major event caused by natural processes. Given recent environmental and socio-political pressures and volatility, there has been a global increase in natural disasters, which underscores the importance of having an emergency response plan in place to anticipate these types of events. This section provides an overview of different types of natural disasters, as well as our policies for enhancing factory emergency response plans to keep workers safe during each type.

Emergency situations that arise from natural disasters and threaten health and safety require awareness, preparation, and response plans. Emergency response procedures must be established, understood, communicated and tested (e.g., through conducting drills, notifying fire-fighters, identifying meeting points, evacuation routes, emergency doors, installing alarms, etc.) to maximize workplace safety and minimize danger of harm during emergencies. The efficiency of these procedures shall be evaluated for continuous improvement.

PUMA recommends that Factories consult with emergency organizations (such as the Red Cross and Crescent), as well as with local authorities and experts, for assistance and instructions to ensure they are prepared for natural disasters that may occur in their regions. Types of natural disasters that may threaten safety at Factories include floods, earthquakes, tornadoes, typhoons, and tsunamis. Each requires specific preparedness procedures to be in place, and Factories must understand how each could affect their workplace to respond and prepare in a manner that minimizes exposing employees to safety risks.

### 3.6.5 Contractor Safety

A **Contractor** is defined as a company that provides services (both physical/non-physical work) for a Factory. Contractor Safety plans are designed by the Factory to ensure that safety aspects during work for both the Factory and Contractor are respected. The goal of this safety measure is to protect factory and contractor employees, equipment, as well as the image and reputations of both companies.

**There are four (4) steps that a Factory must take prior to appointing a contractor: a risk assessment, selection, training, and establishing a contract.** The below subsections provide details on the requirements involved for each of these four steps:

#### **Risk Assessment**

To ensure safety in all aspects of work with a Contractor, the Factory shall develop a risk assessment to identify the risk area of potential work with a Contractor.

#### **Selection**

Prior to appointing a Contractor, the Factory shall consider the following:

The reputation of the Contractor company regarding its use of, or participation in, safety programs  
Personnel qualifications

#### **Training**

Training is one of the most important elements of the Contractor selection process. Contractor workers, even those already qualified, shall be trained to understand and abide by the Factory's specific safety requirements. In most cases, Factories only check whether the Contractor's employees obtained certain certificates, but safety measures are unique in every field given the diverse different risks of different types of work. Based on the results of the risk assessment mentioned above, **a Factory shall deliver proper training to Contractor employees and ensure their understanding of all training material.**

For specialized work that the Contractor may be experienced with, but the Factory safety personnel is not familiar with, the **Factory must ensure that the Contractor performs the risk assessment and subsequent follow-up actions**

accordingly.

**Contract Stipulations**

The Factory must include Safety Provisions in the contract with the Contractor, to ensure that the Contractor is legally obligated to follow Factory safety standards during its work.

Table 9 provides several examples of Contractor work that may take place in the Factory, alongside potential safety hazards and measures for enhancing safety and reducing risk.

*Table 9: Safety Measures for Contract Work*

<b>WORK PROCESS</b>	<b>SAFETY ISSUES</b>	<b>SAFETY MEASURE</b>
<b>Construction Work</b>	Falling	<p>Wear harness to prevent freefall</p> <p>Create perimeter and provide signage in the area to indicate falling hazard where applicable</p> <p>Ensure that any openings on the ground are covered</p> <p>Provide proper climbing device (such as ladders and scaffolds)</p>
	Electrocution	<p>Clearly identify the area with electricity by erecting visible signage</p> <p>Wear proper safety footwear inside the area where high electricity currents may be present</p> <p>Only use electric tools when grounded or double insulated</p> <p>Keep away from all electricity sources</p>
	Struck – By	<p>Wear protective clothing (such as a helmet)</p> <p>Wear clearly visible clothes when working near moving vehicles</p>
<b>Hot Work</b>	Fire	<p>Ensure that hot work is conducted only in designated areas</p> <p>Fire extinguisher shall be kept as near as possible to hot work areas</p> <p>Create perimeters around hot work areas. Hot work areas must be at least 11 meters (35 feet) from combustible material</p> <p>Ensure that hot work operators have all required hot work permits from the relevant department</p>
	Burns	<p>Provide proper personnel protective equipment and clothing</p>

### 3.6.6 Walking and Working Surfaces

Walking and working surfaces, such as floors, stairs and ladders, all create circumstances that expose workers and anyone else present to a risk of a slip, trip, or fall that may cause injury during work or in the workplace. These circumstances include those in which the worker or other person is:

In or on a plant or a structure that is at an elevated level	On or in the vicinity of a surface through which a person could fall
In or on a plant that is used to gain access to an elevated level	On or near the vicinity of a slippery, sloping or unstable surface
Near an opening through which a person could fall	
Near an edge over which a person could fall	

#### **How to Identify Slip/Trip/Fall Hazards**

##### **INSPECT THE WORKPLACE**

Identify all locations and tasks that could cause injury due to a slip/trip/fall. Walk around the workplace and talk to workers to find out where work is carried out that could result in slips/trips/falls. Tasks that need particular attention are those carried out in the following situations:

On any structure or plant being constructed or installed, demolished or dismantled, inspected, tested, repaired or cleaned	Using equipment to work at an elevated level (e.g., using elevating work platforms or portable ladders)
On a fragile surface (such as cement sheeting roofs, rusty metal roofs, fiberglass sheeting roofs, and skylights)	On a sloping or slippery surface where it is difficult to maintain balance (e.g., on glazed tiles)
On a potentially unstable surface (such as those where there is potential for ground collapse)	Near an unprotected open edge (e.g., near incomplete stairwells)
	Near a hole, shaft, or pit into which a worker could fall (such as trenches, lift shafts, or service pits)

A checklist may be useful in this process. The following list provides recommendations of key risk factors to look for:

#### **Surfaces:**

- The stability, fragility or brittleness
- The potential to slip (e.g., where surfaces are wet, polished or glazed)
- The safe movement of workers where surfaces change
- The strength or capability to support loads
- The slope of work surfaces, for example, where they exceed seven (7) degrees

**Levels:** where levels change, and workers may be exposed to a fall from one level to another

**Structures:** the stability of temporary or permanent structures

**The ground:** the evenness and stability of the ground for safe support of scaffolding or a work platform

**The working area:** whether it is crowded or cluttered

**Entry and exit from the working area**

**Edges:** protection from open edges of floors, working platforms, walkways, walls or roofs

**Holes, openings, or excavations** that require guarding

**Hand grip:** places where an individual's hand grip may be lost

In some situations, expert advice may be needed from technical specialists, such as structural engineers, to check the stability or load-bearing capacity of structures.

**REVIEW AVAILABLE INFORMATION, INCLUDING INCIDENT RECORDS**

Check the records of previous injuries and Near-Miss incidents related to falls. Information and advice about fall hazard and risk relevant to industries and work activities may also be available from regulators, industry associations, unions, technical specialists, and safety consultants.

**How to Control Slip/Trip/Fall Hazards**

There are several ways to control the risks of falls. Some control measures are more effective than others. Control Measures can be ranked from the highest level of protection and reliability, to the lowest using the Hierarchy of Control.

The following questions model the process of moving through the Hierarchy of Control to arrive at the best solutions given the risk and its holistic circumstances.

1. Can the need to work at height be avoided to eliminate the risk of a slip/trip/fall?
2. Can a slip/trip/fall be prevented by working on solid construction?
3. Can the risk of a slip/trip/fall be minimized by providing and maintaining a safe system of work, including the following options:
  - o Providing a fall prevention device (e.g., installing guard rails) if it is reasonably practical to do so
  - o Providing a work positioning system (such as an industrial rope access system) if it is not reasonably practicable to provide a fall prevention device
  - o Providing a fall-arrest system, so far as is reasonably practicable, a fall prevention device or a work positioning system is not an option
  - o Providing covers and/or guardrails to protect workers from the hazards of open pits, tanks, vats, ditches, etc.

**ELEVATED HEIGHT HAZARD CONTROLS**

Whenever fall protection is needed, **ensure that the correct fall-protection system is in place.** In some cases, a combination of control measures may be necessary, such as using a safety harness while working from an elevating work platform. The following safety measures apply to work at elevated surfaces:

Any walking and working surface located above 4 ft. (1.22 m) must include protections to keep workers from the possibility of a fall

Workers who are assigned to work on elevated work surfaces (over 6 feet) shall understand and follow required safety work practices

Holes in floors, raised platforms, and openings in elevated walls must have fall protection devices in place such as railings, covers, fencing, or doors to protect workers from a fall

**ELEVATED HEIGHT HAZARD CONTROLS – LADDER SAFETY**

Choose the proper equipment. Use ladders primarily for climbing to or from other levels.

Choose the right ladder length for the job.

A sticker on a commercial ladder indicates its maximum weight capacity. Use only type I, IA, or IAA ladders (see Table 10 below). If safety-tested ladders are not locally available, the Factory must then take responsibility for weight-capacity testing. Ladder rungs, cleats, and steps must be parallel, level, and evenly spaced.

*Table 10: Commercial Ladder Weight Capacities*

<b>TYPE</b>	<b>DUTY RATING</b>	<b>USE</b>	<b>LOAD</b>
<b>IAA</b>	Special Duty	Rugged	375 lbs
<b>IA</b>	Extra Duty	Industrial	300 lbs
<b>I</b>	Heavy Duty	Industrial	250 lbs

The rungs and steps of metal ladders must be grooved or roughened to minimize slipping. Side rails must be at least 11.5 inches apart.

If using two (2) or more ladders to reach one location, there must be a platform or landing between the ladders.

Ladder parts must be smooth to prevent punctures, cuts, or snagging of clothing.

Wood ladders must not be painted with a coating that can hide defects.

For stepladders, all four legs must be on solid, level ground. The spreaders must be locked fully open.

Climbing on the cross-bracing is prohibited. Stepladders shall never be leaned against a wall.

For straight and extension ladders, the ladder base shall be one (1) foot from the building (or top support, such as an eave) for every four (4) feet of ladder length up to the resting position. Counting rungs provides a good estimate of the ladder length, as rungs are about one foot apart.

When working from or climbing a ladder, workers shall stay positioned between the rails of the ladder.

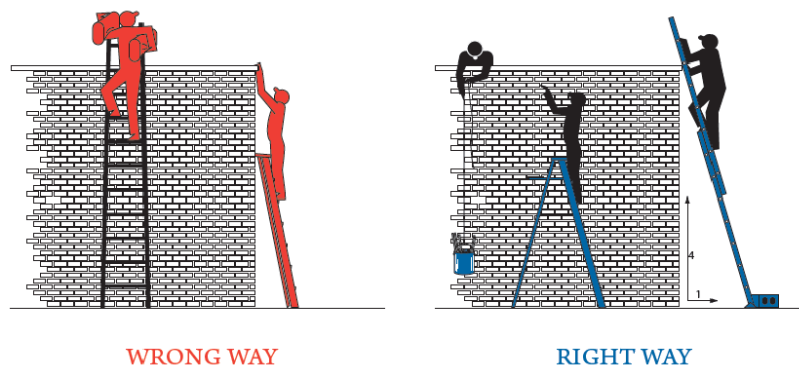


Figure 10: Best Practices for Using a Ladder

Where eliminating the hazard and guardrails or where safety nets may not work **personal protective equipment (PPE), such as fall-restraint systems personal fall-arrest systems are required**. Restraint systems keep individuals from falling and fall arrest systems stop falls. Those using either system need to wear a full-body harness, which has straps worn around one's torso and thighs, with one (1) or more rings in back to attach the harness to other parts of the fall-protection system.

### **ELEVATED HEIGHT HAZARD CONTROLS: HARNESES**

Learn about the types of slip/trip/fall hazards that workers may be exposed to.

Make sure the harness fits all who wear it and that is comfortable, to prevent body strain. Employees can be given shoulder and back pads to reduce harness pressure. Full-body, cross-chest, harnesses are more comfortable for women and can reduce the bruising that may arise during use.

### **ELEVATED HEIGHT HAZARD CONTROLS: TRAINING**

Training must cover responses to all conceivable outcomes from working at elevation, such as hanging in a harness and rescue.

The Factory must fit and train each worker using each piece of the equipment.

Workers at risk of falling must be trained about types of fall hazards, how to protect oneself, and about any relevant hazards and limitations in using fall protection.

If the worksite changes or the type of fall protection equipment is changed, workers using the equipment must be retrained in alignment with all new circumstances.

### 3.6.7 Safety Signage

All safety signage shall be displayed in the local language and be understandable to as many employees as possible. This signage shall be used to:

- Indicate the location of safety facilities (e.g., emergency escape or first aid signage)
- Warn of special dangers or hazards (e.g., a warning signage)
- Demand a mandatory action (e.g., a mandatory signage)
- Forbid some action (e.g., a prohibition signage)

Depending on the purpose they serve, a specific colour, shape, and size is required to help convey their meaning. The European Union has set minimum requirements for the provision of health and safety signage within the directive 92/58/EEC. In this Directive it is clearly stated that:

*“Employers shall provide safety and/or health signage as laid down in this directive where hazards cannot be avoided or adequately reduced ...”* and

*“Workers must be given suitable instruction, in particular in the form of specific directions concerning the safety and/or health signage used at work”.*

Further legislation concerning health and safety signage can be found in the directive 89/391/EEC, which stipulates that all emergency exits, and firefighting equipment be permanently marked with signage for ease of access and use. For non-EU countries, other legislation may be applicable, and **PUMA mandates that full compliance is required.**

#### REQUIRED COLOR & SIGNBOARD USE

**Color** – The table below provides an overview of each color option for the creation of signage, what each color signifies, and examples of applications for each color.

Table 11: Signage Colors

<b>RED: Prohibition</b>	<b>YELLOW OR AMBER: Warning</b>	<b>BLUE: Mandatory</b>	<b>GREEN: Emergency escapes, first aid</b>
Prohibiting behaviour, danger alarm, stop, shutdown, emergency cut-out devices, evacuate, fire-fighting equipment, identification and location	Be careful, take precautions, examine	Specific behaviour or action, wearing personal protective equipment	Exit doors, exits signal, escape routes, rescue facilities, no danger, return to normal

**Signboards** – Signboards used at workplace must be sufficiently large, visible and easily understandable in the applicable local language. All signboards require adequate illumination, and their size shall be appropriate for the intended viewing distance. Signboard material must be durable and weather-resistant, securely fastened and properly maintained.

Appendix H provides examples of the different signage required in each category for a variety of relevant circumstances.



## 3.7 Occupational Health & Sanitation Management

To control exposure to hazards within the workplace, a sufficient management system shall be established and implemented. This shall include, at minimum, the following components:

A description of the plan and a functional overview of the day-to-day operation. This section must contain a detailed description of this site, the location of buildings, and to what structures and organizations the plan applies.

Based upon the results of the evaluation and assessment survey, workplace monitoring shall be conducted to determine the level of exposure and potential health risk to employees.

Employees shall be trained properly in risks and control measures to mitigate their potential effects.

Monitoring data shall be analysed and reviewed at regular intervals and compared with the operating standards so that any necessary corrective actions can be taken.

### 3.7.1 Workplace Monitoring

Regular workplace monitoring is a critical component of every successful health and safety program. Each monitoring instance shall include a careful examination of the workplace to identify potential (or actual) hazards that can cause injury, illness or damage.

To ensure the effective monitoring, it is necessary to be familiar with:

- All workplace buildings and departments
- Work activities and workflow from one part of the workplace to another

- Locations where hazardous chemicals are used
- Locations of storage areas, entrances and exits, and emergency exits

Workplace monitoring must be conducted by the local Center for Disease Control and Prevention or a qualified organization at least once per year. Any new construction, new equipment or work activities that are introduced to your workplace must complete an additional initial risk assessment, and workplace monitoring of the changes shall be conducted as well.

#### **Limit of Hazardous Substance Exposure**

Most workplace exposure limits are set in terms of concentrations of the substances hazardous to health in the air, averaged over a specified period (i.e., a time-weighted average). **Two different time periods are used: long term (8 hours) and short term (15 minutes).** Short-term exposure limits are set to prevent acute effects, which occur after exposure for just a few minutes. Exposure to a substance with a workplace exposure limit must not exceed the local legal requirement for either short-term or long-term exposure.

#### **Limit of Noise Exposure**

Because the negative impacts on health of noise are cumulative, noise emission levels shall be kept **below 85 dB(A)** to minimize any risks to health. In cases where this is not feasible, noise emission levels shall be reduced to the lowest level possible and suitable hearing protection must be provided. The following requirements for noise levels apply in each of these scenarios:

Levels of **55 dB(A)** during complex office work as well as canteen and break areas

Levels of **70 dB(A)** during simple office work

Levels at or below **85 dB(A)** during all other kinds of work

Individuals exposed to 80dB(A) or above must be offered hearing protection, but **at 85dB(A), hearing protection use must be mandatory.**

Hazard exposure within the workplace must follow local legal requirements. It is recommended that noise exposure testing for prolonged exposure (**the standard time allotment is eight (8) hours**) and peak exposure testing be conducted so that both types of exposure in the workstations are measured, even if both may not be required by local law. Where PUMA standards are more stringent than local legal requirements, PUMA standards will apply.

If the noise energy in each situation is doubled, then it is increased by 3dB(A) and requires a halving of the exposure time. Please refer to the below table for exposure time limits for different sound levels.

<b>HOURS OF EXPOSURE (H)</b>	<b>dB(A)</b>
<b>8</b>	85
<b>4</b>	88
<b>2</b>	91
<b>1</b>	94
<b>1/2</b>	97
<b>1/4</b>	100
<b>1/8</b>	103

Table 12: Noise Exposure and dB(A)

### Lighting

Where various production processes take place in the Factory, sufficient lighting provided for workers is of utmost importance.

Depending on the processes, light levels or lux can be classified in relation to the type of work, nature of workplace, the vision of each individual, and other factors.

Lack of, or excessive, light can result in accidents, affect workers' wellbeing and diminish productivity of workers during production. In work where accuracy is required, such as quality control, this can affect the product quality. Over time, workers who conduct their work under excess or insufficient light risk damaging their eyesight. Given these considerations, PUMA provides in Table 13 the following recommendations for light required given different types of work:

Table 13: Light Recommendations

<b>TYPE OF WORK</b>	<b>ILLUMINATION RANGES (LUX)<sup>2</sup></b>
<b>Workspace where visual tasks are performed occasionally</b>	100 – 200
<b>Tasks with high contrast of large scale</b>	200 - 500
<b>Tasks of medium contrast or small size</b>	500 – 1000
<b>Tasks of low contrast or very small size</b>	1000 – 2000
<b>Tasks of low contrast and very small size over a prolonged period</b>	2000 – 5000
<b>Tasks of very prolonged and exacting visual tasks</b>	5000 – 10000

### Vibration

Machinery used in the factory for production almost always exposes workers to some degree of vibration. Prolonged exposure to vibration can cause injuries over time.

#### HAND-ARM VIBRATION (HAV)

Hand-arm vibration (“HAV”) exposure results from the use of handheld power tools. Excessive and uncontrolled use of these types of tools can cause health problems, such as painful nerves and joints, and may also lead to direct injuries to fingers, hand dexterity, and the ability to grip. The following table shows the threshold value of HAV:

<sup>2</sup> Modified from: IESNA Lighting Handbook. 9th ed. Illuminating Engineering Society of North America, 2000. p. 10-13.  
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Table 14: Threshold limit values for HAV exposure

<b>THRESHOLD LIMIT VALUES (TLVS) FOR EXPOSURE<sup>3</sup> OF THE HAND TO VIBRATION IN X, Y, OR Z DIRECTION<sup>4</sup></b>	
<i>Total Daily Exposure Duration (Hours)</i>	<i>Maximum Value of Frequency Weighted Acceleration (M/S<sup>2</sup>) In Any Direction*</i>
4 to less than 8 hours	4
2 to less than 4 hours	6
1 to less than 2 hours	8
less than 1 hour	12

To reduce the risk of occupational disease caused by HAV, the following steps may be taken:

Find alternative work methods that eliminate or reduce exposure to vibration.

Select the vibrating equipment correctly to ensure that any vibrating equipment is used efficiently. Improper equipment for a given task may result in longer and inefficient use of the equipment, exposing workers to vibration longer than necessary.

**Extreme Temperatures**

Heat or cold stress refers generally to several medical conditions such as heat cramps, heat exhaustion, heat rash, heat stroke, frostbite and hypothermia. Under extreme conditions of temperature, humidity, airflow, and workload, workers may experience heat or cold stress, which is the body’s attempt to maintain a normal body temperature in extreme temperatures.

Factory conditions that are very hot or very cold may cause workers to suffer from a variety of heat or cold stress symptoms. Heat stroke from extreme heat and hypothermia from extreme cold, are both conditions that may lead to death if not treated immediately. Workplaces with risks for these conditions may include, but are not limited to casting, electroplate, rubber products factories, electrical utilities (particularly boiler rooms), laundries, and chemical plants.

Table 15: Extreme Temperatures, Risk Levels, and Protective Measures

<b>HEAT INDEX</b>	<b>RISK LEVEL</b>	<b>PROTECTIVE MEASURES</b>
< 91°F (32 °C)	Lower (Caution)	Basic heat safety and planning
91°F – 103°F (32 °C – 39 °C)	Moderate	Precautions and heightened awareness
103°F – 115°F (39 °C – 46 °C)	High	Additional precautions to protect workers
> 115°F (46 °C)	Very high to Extreme	Triggers even more aggressive protective measures

**Ensuring worker safety in extremely hot or cold temperature conditions shall respect all local legislation and must include implementing, at minimum, the following risk mitigation procedures:**

Identify workplace and work assignments where a potential for heat or cold exists, and conduct extreme temperature analysis

Satisfactory temperature control measures to eliminate or reduce risks

<sup>3</sup> Modified from The American Conference of Governmental Industrial Hygienists (ACGIH)

<sup>4</sup> Directions of axes in the three-dimensional system

Proper personal protective equipment (PPE) must be provided to workers who work in operations involving extreme heat or cold (e.g., insulated gloves, insulated suits, reflective clothing, or infrared reflecting face shields etc.)

Plenty of safe drinking water must be available for workers, free of charge, who work in areas with high temperatures (Near ovens, dryers, etc.)

Rest breaks must be sufficiently frequent and held in suitable conditions given the temperatures (e.g., located in warm area if temperature conditions are extremely

cold, in shaded or cooler area if temperature conditions are extremely hot)

Workers must have a physical exam that confirms fitness to work in extreme heat or cold before begins work in such conditions

Workers who work in extremely hot or cold environments shall be trained to recognize, and respond to, symptoms of heat or cold stress

Capable workers shall be trained to provide first aid to any workers who experience these symptoms

Periodically evaluate the program to determine its effectiveness in preventing heat or cold stress in worker

### 3.7.2 Ergonomics

Ergonomics is the scientific study of human performance at work. Ergonomics considers the physical and mental capabilities of the worker and how he/she interacts with tools, equipment, work methods, tasks, and the working environment. **Ergonomic hazards must be controlled when designing or updating workplaces or workstations, and in these circumstances the following procedures shall apply:**

**Conduct a risk assessment:** The assessment shall identify jobs and workstations that may contain musculoskeletal hazards, the risk factors posed by these hazards, and the causes of the risk factors.

**Hazard prevention and control:** Eliminate or minimize the hazards identified in the workplace assessment by changing the job design, workstation, tools, or work environment to fit the worker.

**Injury management:** Make effective use of available healthcare resources (e.g., physiotherapy and medical help) to prevent or manage work-related musculoskeletal disorders using an early-intervention approach

**Training and education:** Provide both staff and supervisors with an understanding of the potential risk of injuries, their causes, symptoms, prevention, and treatment options.

Below are some common ergonomic hazards present in the workplace:

Inadequate or excessive light or glare

Heavy, awkward or repetitive lifting, pushing or pulling

Frequent bending or twisting of the back or neck

Tasks requiring lifting either below the knees or above the shoulder

Static postures where workers spend long periods without movement of a particular body part

Working with arms above shoulder height, elbows away from the body, or reaching behind the body

Repetitive or prolonged grasping and holding of objects, or repetitive bending or twisting of the wrists or elbows

Frequent exposure to whole-body or hand-arm vibration that has not been controlled

Work surfaces that require elevation of the shoulders or stooping of the back for long periods

Contact stress, where force is concentrated on a small area of the body

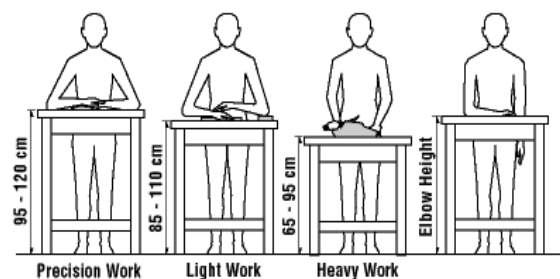


Figure 11: Illustration of workstation arrangement for different work scenarios

Low-cost solutions to control ergonomics in the workplace may be applied to correct these risk factors, as follows:

Ensure work surfaces are at the right height for the task required

Store frequently used materials, parts, or tools within easy reach and as close to waist or hip height as possible

Use mechanical aids to move materials and products around the workplace

Avoid extended or repeated long reaching to do work. Typically using an awkward posture beyond four (4) hours per day is considered high-risk

If possible, reduce the number of times workers repeat a given task or motion

Provide seated workers with chairs of correct height that include sturdy backrests, allowing feet to be comfortably placed on the floor

Provide a standing chair or stool

Encourage workers to change work postures occasionally, from standing to sitting or vice versa

The most effective ergonomic solution is to involve both the workers and Factory Management in coming up with optimal solutions for each work setting. Where local laws on ergonomics are applicable, factories are expected to comply with all legal requirements.

### 3.7.3 Industrial Ventilation

Ventilation in workplaces can include both general ventilation (i.e., fresh air) and targeted ventilation used to control airborne contamination of the workplace. General ventilation of a building is needed to satisfy the respiratory needs of its occupants and remove any body odours and other indoor environmental contaminants. ***The Factory must take effective and suitable steps to ensure that every enclosed workplace is ventilated by enough fresh or purified air.*** Ventilation used to control airborne contamination can take one of two forms: dilution ventilation, or local exhaust ventilation ("LEV"). The following subsections below provide detail.

#### ***Dilution (General) Ventilation***

Dilution ventilation provides a flow of air into and out of the working area, rather than targeting ventilation at the source of the contaminant. The background concentration of airborne contaminants is reduced by the addition of fresh air but there is little, if any, reduction in direct exposure to airborne contaminants. This system is used in cases where local exhaust ventilation is impractical.

Dilution ventilation is more effective if the location of the exhaust fan is close to exposed workers and the makeup air location is behind the workers so that contaminated air is drawn away from the workers' breathing zone. For chemical control in the workplace, this approach is suitable in circumstances where the volume of pollutants generated is not too high, and workers are not exposed or required to work near the source of contamination. ***Limitations of dilution ventilation include:***

It does not remove completely contaminants,

If contaminants are highly toxic or very flammable, dilution ventilation is not recommended

Mechanical ventilation systems shall be regularly cleaned, tested, and maintained. Where necessary for reasons of health and safety, plant failure warning devices must be provided.

In general, the fresh air supply rate shall not fall below 5-8 liters per second, per occupant. Factors that may influence fresh air requirements include the floor area per person, the processes and equipment involved, and whether the work is strenuous.

#### ***Local Exhaust Ventilation ("LEV")***

Unlike dilution ventilation, which seeks to spread airborne contaminants throughout the workplace to reduce their capacity to harm, LEV controls air contaminants by trapping them at or near their source. In protecting workers' breathing zones and subsequent health, LEV is best for controlling highly toxic contaminants before they can spread within the workplace. Given this action mechanism, LEV is best for the following applications:

Removing air contaminants can cause serious health risk

Use when the location of emission source is close to workers

The number of emission sources at the workplace are low

When cost is a concern if heating or cooling cost is increased in cold or hot weather

When large amounts of contaminants are generated

An LEV system has five (5) basic components:

1. A hood, enclosure, or other inlet collects and contains the contaminant close to the source of its generation
2. Ductwork pulls the contaminant away from the source
3. A filter or other air-cleaning device removes the contaminant from the extracted airstream
4. A fan or other air-moving device provides the necessary air flow
5. Further ductwork discharges the cleaned air to the outside atmosphere at a suitable point

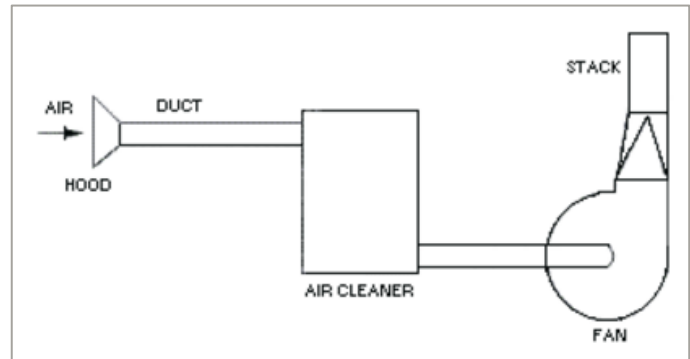


Figure 12: Five basic components of LEV



Figure 13: example of Local Exhaust Ventilation system

Regular maintenance and testing programs must be developed and maintained to ensure the LEV systems meet workplace requirements. Records of maintenance and testing shall be kept at the workplace and made available during compliance checks.

### 3.7.4 Personal Protective Equipment (“PPE”)

Each year, significant numbers of workers around the world experience disabling work-related injuries. Personal Protective Equipment (“PPE”) is one defense against exposure to hazardous working conditions that can cause such injuries. **Equipment selection shall consider the work environment, an employee’s individual needs and the larger context in which the work is taking place.**

PPE is designed to protect workers from health and safety hazards that cannot be practically removed from the work environment through engineering or administrative controls. **All workers are required to use PPE whenever it is specified, or when work conditions require it.** Workers’ acceptance of incorporating PPE into their daily work patterns is higher when employees fully understand the purpose of the PPE and are involved in the selection process of the most suitable equipment.

General requirements for the selection of, and training for, PPE include:

Performing a hazard assessment to select the appropriate PPE

PPE must meet standards established by recognized governmental and/ or industry groups

Train the workers in the following PPE-related areas:

- When PPE must be worn
- How to wear and adjust PPE
- The limitations of the PPE
- The proper care, maintenance, use, and disposal of PPE

Commonly used PPE in the sporting goods industry include, but is not limited to:

Gas masks in work areas where harmful vapours are present

Dust masks used in processes where dust is generated

Steel mesh gloves when using fabric cutters

Ear protectors for work areas with high levels of noise

Chemical-resistant gloves for handling acids or caustic chemicals

Hydrocarbon-resistant gloves for using hydrocarbon-based solvents, cleaning agents, or chemicals

Foot protection when handling heavy objects

### 3.7.5 Health Surveillance, Medical Care, and First Aid

#### **Health Surveillance**

Health surveillance is defined as the periodic monitoring of the health of individual workers through a combined assessment of medical history, an examination, and relevant tests. The types of examinations and tests used during health surveillance will depend on the health hazard being assessed.

Health surveillance is not a substitute for providing and maintaining adequate exposure control measures and shall include special measures and procedures to ensure that vulnerable workers (such as pregnant women) are never exposed to any hazardous conditions at work.

***The health surveillance program shall be linked to, or cover, the following healthcare-related requirements for all employees:***

The pre-employment screens

Pre-placement and post-placement examinations

Return-to-work examinations

Exit health examinations

Health surveillance must be conducted in the following circumstances:

When required by regulations

If it is possible that worker exposure to a given hazard exceeds acceptable exposure limits to that hazard

If a Factory wishes to check the health of their workforce and assess the effectiveness of hazard management and control measures

If hazard exposure has been consistently shown to remain well below acceptable exposure limits, there is no need for health surveillance for a particular workplace hazard

#### **HEALTH SURVEILLANCE PROGRAM – GUIDELINES**

If health surveillance is required, the Factory shall establish a structured health surveillance program that aligns with the following guidelines:

The program shall be documented as part of the Standard Operating Policies and Procedures

The program shall be designed based on the results of the health risk assessment

Workers shall give their informed consent to participate in health surveillance

All health surveillance examinations and tests shall be conducted at no cost to the worker

Medical examinations and tests shall be supervised by a legally qualified physician (or nurse, where appropriate)

Examinations, tests, and all laboratories involved shall comply with relevant international standards

Medical examinations and tests must be safe, ethical, and acceptable in cultural and religious terms

Tests must be valid, reliable, and sensitive

Where health surveillance detects disease, adverse health effects or unsafe hazard exposure levels, the responsible physician or nurse must advise the Factory of the need for remedial action, and immediately notify the worker of the result and its implications for him or her

Depending on the nature of the abnormal result and the circumstances in the workplace, the affected worker shall either be suspended stating the expected length of unfitness, given specific restrictions to mitigate further hazard exposure, moved to a workplace that is safe for him or her, or given additional PPE

Workers requiring treatment for diseases found during health surveillance shall be referred to appropriate specialists for any follow-up needed

### **HEALTH SURVEILLANCE PROGRAM – ANALYZING AND REPORTING RESULTS**

A procedure shall be developed and implemented for analysing the results of the health surveillance program and providing guidance for corrective action and medical treatment.

This analysis shall identify patterns and trends for groups of workers across the Factory, as well as assess clinical implications for all individual workers affected or in need of further treatment.

The occupational health doctor or nurse shall indicate which employees are considered fit to work and which are not. These occupational health staff shall also be mindful that abnormal results on a health surveillance examination may not be due to work, but instead to other factories or situations that would have transpired in the absence of workplace exposure. Abnormal results may require follow-up medical treatment outside of the factory's occupational health service.

### **HEALTH SURVEILLANCE RECORDS**

Health surveillance results shall be managed as any other medical record within the occupational health service. Individual results for each worker shall be kept in his or her medical record, so they are available for the doctors and nurses treating the employee.

### **Medical Care**

The following medical resources shall be made available for all employees at the Factory:

A medical care program to address both physical health and mental health

An emergency preparedness program for local endemic illnesses

Suitable medical facilities must be available, open and properly maintained. It is essential that the facility is kept clean and equipped to deal with any injuries common to the type of factory. Proper procedures for disposal of medical waste must be followed

A contract or insurance cover with the nearest hospital for emergency treatment of workers shall be in place

### **First Aid**

First aid is defined as emergency care provided for an injury or sudden illness before professional emergency medical treatment is available. The first aid provider in the workplace is trained in the delivery of initial medical emergency procedures, using a limited amount of equipment to perform a primary assessment and intervention while awaiting arrival of emergency medical service ("EMS").

Sufficiently trained first aid providers must be always available and in every major department of a factory. Depending on the size of the factory and the nature of its activities, between 5 and 10% of the workforce shall receive first aid training. A clinic or first aid room shall be made available for Factories with more than 100 employees. **The first aid room shall adhere to the following guidelines:**



### **SPACE, LOCATION, & EQUIPMENT**

The room shall be clearly marked as a first aid room and a note shall be placed on the door clearly, showing the names and locations of first aid providers.

Directions to the hospital, phone numbers of ambulances, and other contact information must be displayed in the room in cases with more serious injuries.

The room shall be large enough to hold a bed or couch, and the door to the room must be wide enough to accommodate a stretcher, wheelchair, carrying chair or wheeled carriage. And it shall contain:

- A bed or a couch (with a waterproof surface) with clean pillow and blankets (the number of beds must conform to local legal requirements)
- A chair
- Clean protective garments for use by first aid providers
- A sink with running hot and cold water
- A suitable store for first aid materials
- A range of first aid equipment (containing at least the equipment in a standard first aid box)
- Suitable, foot-operated, refuse container lined with disposable plastic bags
- A bowl
- Paper towels and soap
- Drinking water (when not available on tap) and disposable cups
- A telephone or other suitable means of communication

### **SUPPLIES**

First aid kits must be made available in every larger department for the treatment of minor injuries. First aid kits must be kept unlocked, and the contents must contain enough first aid items according to the Factory's circumstances. The following items are recommended in all first aid kits:

- A general guidance card with information on first aid and emergency telephone numbers
- Checklist of contents
- Wrapped sterile adhesive dressing
- Eye pads with attachments
- Wrapped triangular bandage
- Safety pins
- Wrapped sterile bandages
- A pair of disposable gloves
- Scissors
- Injury log and pen
- Plaster
- Disinfection liquid

### **DOCUMENTATION**

A clinic record of the types of injuries or sicknesses that occurred in the Factory shall be made and kept for one (1) year. In case of an unusual accumulation of injuries or any serious injury or sicknesses, the causes of these injuries or sicknesses shall be investigated and corrective actions shall be taken where needed.

### **PROCEDURES, TRAINING, & STAFFING**

Basic first aid training shall be provided to all workers regularly.

Clear procedures for responding to life-threatening and non-life-threatening emergencies must be in place.

An occupational nurse or physician shall regularly visit the room. At any time during working hours (also on night shifts, if applicable), a person qualified in first aid must be present.

- In low-risk situations, there shall be always at least one (1) first aid provider present for every 50-100 employees.
- In hazardous situations, there must not be fewer than one first aid provider for every 50 employees always presents.

The person who is to be appointed as a first aid provider must attend adequate training conducted by a qualified organization.

First aid providers shall be easily identifiable (with badges or armbands, etc.) for ease of locating when needed.

The names of first aid providers (with their photographs, if desired) shall be clearly displayed on notice boards.



Figure 14: Examples of waste segregation in the workplace

## 3.7.6 Welfare Facilities & Sanitation

### **Sanitation & Condition of Welfare Facilities**

Ensuring adequate levels of sanitation helps to promote good health and is especially important for areas where food is prepared, as well as for bathrooms and toilets. The following guidance is applied to all production, office, warehouse, and dormitory areas:

Walls shall be clean and painted or tiled.

The floor of working areas shall be maintained and kept dry. Platforms, mats, or other dry standing places shall be provided in places where wet processes are used.

Drainage shall be maintained, and appropriate waterproof footwear provided where needed.

All floors, walkways, and stairs must be kept in good repair. All must be kept clear of anything that may cause a slip or trip hazard.

Build-up of waste materials in working areas (around sawhorses, cutting stations, toolboxes) is prohibited. Factories shall maintain an ongoing routine of waste disposal at regular intervals.

Maintain adequate lighting in all work areas.

Use waste bins, garbage cans, and dumpsters to properly dispose of waste and prevent the build-up of debris.

Ensure that there are no protruding nails on loose or fixed materials that may snag clothing or cause an abrasion or puncture.

Post signs and use danger or caution tape where hazards may not be readily seen.

Ensure that all ground surfaces are firm and level before setting scaffolds or ladders.

Aisles and exits shall be kept clear of obstructions at any time.

Smoking or eating in production areas or toilets shall not be permitted except where exceptions are explicitly stated. A restaurant, canteen, or dining area with sufficient space shall be provided for all employees to help enforce this rule.

Garbage and unused materials shall be regularly removed.

### **Drinking (Potable) Water**

The Factory must ensure adequate potable water, defined as suitable for drinking and food preparation, is always provided at no cost for all employees. The following rules apply to the provision of potable water:

Potable water shall be provided in all places of employment for drinking, bathing, cooking, food preparation, washing of dishes and in personal service

rooms. This water shall be tested annually, or in accordance with local legal requirements, to ensure it remains safe to drink.

Drinking water dispensers shall be designed, constructed, and serviced to maintain sanitary conditions. Dispensers shall be capable of closure and equipped with a tap.

Open containers such as barrels, pails, or tanks for drinking water that require dipping or pouring to access water are prohibited, whether they are fitted with a cover.

A common drinking cup and other common utensils shared by more than one person are prohibited.

A drinking station shall be in a clean space with an upstream of air flow and shall not be located inside or nearby toilet areas.

A drinking station must be located at a reasonable distance from the workstation.



*Figure 15: Example of drinking station at workplace*

**Toilet Facilities**

Toilet facilities must allow employees clean, private, and easy access in all parts of the Factory. The following rules apply to Factory toilets:

Separate toilet rooms for each gender must be provided in all places of employment.

Toilet rooms shall be distinctly marked “for men” and “for women” by signs printed in the native language of the persons occupying the building or marked with easily understood pictures or symbols. If the facilities for each sex are in the same building, they must be separated by solid walls or partitions extending from floor to ceiling to ensure adequate privacy.

Where toilet rooms will be occupied by no more than one person at a time, the rooms must be lockable from the inside. Each toilet room must occupy a separate compartment with a door and walls or partitions between and fixtures sufficiently high (1.7 meters high) to ensure privacy. Except for urinals, open toilet rooms are prohibited.

Tightly closing waste bins shall be provided within each toilet stall for disposal of toilet paper and sanitary dressings.

Hand drying facilities (such as paper towels, clean cloth towels, electric dryer, etc.) must be provided.

Toilet paper must be provided to all employees.

Sufficient hand washing facilities and hand soap shall be provided for each toilet section.

Toilet facilities must be regularly cleaned and maintained to always ensure sanitary conditions.

The number of toilets provided for each gender shall be based on the number of employees (see the below table for specifications):

*Table 16: Required number of toilets per number of employees*

<b>NUMBER OF EMPLOYEES</b>	<b>MINIMUM NUMBER OF TOILETS</b>
<b>1 – 15</b>	1
<b>16 - 35</b>	2
<b>36 - 55</b>	3
<b>56 - 80</b>	4
<b>81 - 110</b>	5
<b>111 – 150</b>	6
<b>Over 150</b>	1 additional fixture for each additional 40 employees

## Sec. 4 – Sustainability Data Collection and reporting

PUMA uses Enablon, the software tool, for the regular collection of social performance data from both owned entities and Core Suppliers. Data collection occurs annually and covers at least 80% of PUMA’s sourcing business volume for Tier 1.

Each PUMA entity is accountable for its social performance. All PUMA core T1 suppliers are therefore required to regularly complete web-based questionnaires on Female Worker Percentage, Permanent Worker Percentage, Worker Turnover, Wages, Social Insurance, Working Hours, Collective Bargaining Agreement Coverage, Fatality and Injury Rate as well as Occupation Health & Safety Training etc., This data also forms the basis for PUMA’s internal management system regarding social performance, as well as the information presented in each Annual Report.

Given that the majority of PUMA’s overall social footprint is created in the supply chain, PUMA includes all major Tier 1 Suppliers into the regular data collection process. PUMA then uses this data to establish social key performance indicators (“S-KPIs”) that align with production volume for each supplier, helping us track supplier improvements on social performance.

For more information on PUMA’s data collection procedure, please contact the PUMA Sustainability Team (see Appendix B).

### 4.1 Global Reporting Initiative (“GRI”) Sustainability Reporting

PUMA has been publicly reporting its sustainability performance in accordance with the guidelines of the Global Reporting Initiative (“GRI”) since 2004. Since 2010, PUMA’s Sustainability and Financial Reporting have been integrated into the consolidated PUMA Annual and Sustainability report.

PUMA continues to encourage its Core Suppliers to publish sustainability reports that adhere to GRI guidelines to further transparent sustainability reporting across the supply chain.

Please visit the PUMA website for a copy of our [Annual Report](#).

### 4.2 Reporting of Social Key Performance Indicators (“S-KPIs”)

PUMA has established Social Key Performance Indicators to measure our progress and manage PUMA’s social footprint. These S-KPIs track of Female Worker Percentage, Permanent Worker Percentage, Worker Turnover, Wages, Social Insurance, Working Hours, Collective Bargaining Agreement Coverage, Fatality and Injury Rate as well as Occupation Health & Safety Training.

PUMA and PUMA Suppliers use the online platform Enablon for regular data collection from Core Suppliers, and to enable monitoring, tracking, and publishing of the S-KPI performance in PUMA’s Annual Report. See figure below for PUMA’s 2020 S-KPI performance compared to previous years:

T.07 SOCIAL KPIS PUMA CORE SUPPLIERS 2018-2020												
2020	SOUTH ASIA			SOUTHEAST ASIA				EMEA		2020	2019	2018
	Bangladesh	India	Pakistan	China	Cambodia	Indonesia	Philippines	Vietnam	Turkey	Average	Average	Average
Gross wage paid above minimum wage excluding overtime and bonuses [%]	14.8	13.9	34.5	7.0	8.8	4.9	0.0	31.7	1.6	13.0	17.6	20.9
Gross wage paid above minimum wage including overtime and bonuses [%]	51.1	13.9	39.9	168.3	55.5	31.9	19.4	89.3	22.8	54.7	73.1	83.7
Workers covered by social insurance [%]	100.0	100.0	99.9	69.1	100.0	91.0	100.0	100.0	100.0	95.6	93.6	95.3
Overtime [hours per week]	10.5	0.0	0.0	14.6	4.5	4.6	6.1	5.4	3.2	5.4	7.1	6.1
Workers covered by a collective bargaining agreement [%]	0.0	0.0	0.0	94.1	48.3	0.0	0.0	100.0	0.0	26.9	25.4	26.7
Female workers [%]	41.6	45.0	8.8	61.2	83.7	80.1	70.8	79.8	58.6	58.8	59.4	56.0
Permanent workers [%]	100.0	100.0	99.9	29.4	44.0	62.3	88.2	45.6	100.0	74.4	69.1	68.0
Annual turnover rate [%]	34.8	7.7	21.8	55.2	46.5	28.8	8.5	42.0	24.2	29.9	38.2	36.8
Injury rate [%]	0.4	0.9	0.0	0.6	0.2	0.2	0.7	0.2	0.2	0.4	0.5	0.6
Number of suppliers	8	1	2	17	6	3	2	18	1	58	59	50

\*Data received from 58 PUMA core suppliers representing 81.4% of 2020 production volume; reporting period for data collection: November 2019 – October 2020

Figure 16: PUMA Supply Chain S-KPI Performance from Core T1 Suppliers, 2020

## Sec. 5 – Industry Collaboration

PUMA has placed a large emphasis on industry collaboration and, where possible, supporting existing industry initiatives. Collaboration with our peers is paramount to streamline the sustainability efforts of our industry. We believe that encouraging alignment of individual industry organizations, e.g., converging use of tools and processes, makes the overall system more efficient. Examples of actions PUMA has taken are:

- Harmonized the PUMA Compliance Audit tool with the methodology of the Fair Labor Association and [Better Work](#);
- Supported a convergence of various existing supplier social compliance assessments under the umbrella of the Social and Labor Convergence Project (“SLCP”), and
- Introduced relevant social key performance indicators (“KPIs”) as part of an industrywide framework on social standards that measure performance in addition to compliance

The results of these and similar coordinated efforts potentially free up resources currently spent by brands and Suppliers alike. Examples of what we believe are redundant processes include:

- Multiple audits for the same Factory
- Multiple test reports for hazardous chemicals on the same materials and effluents
- Multiple capacity-building and training projects focusing on similar subjects and Suppliers

By de-duplicating efforts across the industry, through Brand Collaboration we aim to use our own resources more effectively. This, in turn, achieves stable, long-term positive impact on our direct and indirect employees, as well as the Factories, communities and environment in which we operate. Our new “10FOR25” targets will guide our work in this respect.

*Further information on the global initiatives and programs PUMA supports are found on the websites of the following organizations and initiatives:*

- [International ACCORD](#)
- [Fair Labor Association](#)
- [Better Work](#)
- [Social & Labor Convergence Project](#)
- [Sustainable Apparel Coalition](#)
- [International Labor Organization](#)
- [United Nations Global Compact](#)
- [United Nations Sustainable Development Goals](#)
- [Global Reporting Initiative](#)
- [RMG Sustainability Council](#)
- [ITCILO](#)

## APPENDIX

### A. The 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.

#### **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.

#### **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.

#### **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 989385612 +628 11 227 2143	
South Asia	+880 1708469256	
East Asia	+86 13622884924	
Americas	+503 77871132	
Europe, Middle East & Africa	+49 15114743876 +90 532 483 6685	

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 enquires, 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. 2016

## B. The PUMA Code of Ethic

# PUMA PRINCIPLES

It is great to have a set of values that guide the way we conduct our day to day business. However, you may ask yourself how all of this applies to you.

Find on the next pages the guiding principles of how we behave and make decisions at PUMA. We will discuss the tricky positions you can find yourself in, in which the correct behavior does not seem so clear. The Q&As will help you understand such situations.

**Remember in case of doubt there is always someone you can speak to at PUMA.**

As a PUMA employee you also have to comply with mandatory internal policies for specific risk areas. These internal policies and the **Code of Ethics** exist to protect both you and PUMA's reputation and goodwill.

As a manager you have to make sure everybody in your team understands these rules and sticks to them.

We want everybody to be attentive, to look closer and to speak up whenever the principles are being violated.



PLAY BY THE RULES 5

PRINCIPLE 1 — HUMAN RIGHTS

## WE TREAT EVERYONE WITH FAIRNESS AND RESPECT.



**We want you to be you when you come to work!**

The people who work at PUMA come from many backgrounds and nationalities. Our differences make us stronger. We want a diverse workforce and we do not tolerate discrimination, harassment or bullying in any form. We know that the colour of your skin, your gender, age, who you love, how you worship or how you self-identify does not affect your ability to do your job. We always come from a place of openness and respect.

PRINCIPLE 3 — LEARN FROM MISTAKES

## WE TAKE RESPONSIBILITY FOR OUR ACTIONS AND OWN UP TO OUR MISTAKES.



**At PUMA, we employ humans, not robots.**

Every now and then mistakes happen. Own up to your mistakes and do not try to cover them up. We see mistakes as learning opportunities.

PRINCIPLE 5 — PROTECTION OF PUMA ASSETS

## WE USE PUMA ASSETS RESPONSIBLY.

As part of your job, you may be given a laptop, a company car or some other tool to make sure you can perform properly. Also, for example during 360 we give you access to many new products.

We expect you to treat these assets with care and respect. Do not steal, waste or misuse them.

Use your common sense when using PUMA assets and make sure you keep them safe.



PRINCIPLE 2 — HEALTH & SAFETY

## WE PROVIDE A SAFE WORK ENVIRONMENT FOR OUR EMPLOYEES.



**You should be able to go to work without fear of injuring yourself or getting sick.**

We do not cut corners or look for ways to save when it comes to health and safety.

In fact, we are investing more in these areas to ensure you have a safe, healthy environment so you can do your job to the best of your ability.

PRINCIPLE 4 — INTELLECTUAL PROPERTY

## WE RESPECT INTELLECTUAL PROPERTY — OURS AND OTHERS'.



Our designers and developers come up with creative and innovative ideas that make us a successful and competitive brand.

**Our logo is one of our most valuable assets.**

That is why we make sure we protect PUMA's intellectual property. We show the same respect and care for trademarks, patents and designs owned by others. We only use the intellectual property of others if we have the permission or the license to do so.

PRINCIPLE 6 — SUSTAINABILITY

## WE WORK TOWARDS A SUSTAINABLE FUTURE.

**We only have one planet so we have to take care of it.**

Sustainability means ensuring that our success does not exploit our suppliers' workers nor our own staff, our natural resources or our investments.

We reject any violation of human rights by suppliers, and any form of forced

labor, and exploitative child labor or discrimination in any form.

It is important for us that our suppliers give a fair day's pay for a fair day's work.

We expect our suppliers to adhere to regulations about minimum working age and minimum wage.

PRINCIPLE 7 – QUALITY & SAFETY

## WE MAKE SAFE PRODUCTS.

At PUMA, we take pride in our work.

We make innovative, high-quality products for athletes of all levels, across the globe.

When someone buys a PUMA product, they can expect that they or the people they care about are not put at risk and neither are the people who produce it. Therefore, we ensure that our products are designed and produced in compliance with applicable safety and trade compliance standards.



PRINCIPLE 8 – SELECTION OF BUSINESS PARTNERS

## WE SELECT OUR BUSINESS PARTNERS CAREFULLY.



We can only achieve our goal of becoming the fastest sports brand in the world if we work with the best business partners available.

This is why we carefully select third party business partners based on objective criteria. Favoritism and nepotism have no place at PUMA. We expect our business partners, especially our sourcing partners, to respect human rights, to know the rules by which we play and ask them to adhere to the values we have set out in our Code of Conduct for suppliers.

PRINCIPLE 9 – CONFLICTS OF INTEREST

## WE ACT WITH PUMA'S BEST INTEREST AT HEART.

A conflict of interest can arise when you are somehow personally invested (financially, genetically, romantically) in a business decision.

We cannot avoid all conflicts of interest, but we can take steps to ensure we always act objectively and without bias.

We do this by disclosing and managing potential and existing conflicts of interest. This way we make objective decisions which benefit PUMA as a whole and not only us as individuals.



PRINCIPLE 10 – INSIDER TRADING

## WE DO NOT USE INSIDE INFORMATION OUTSIDE OF THE COMPANY.



PUMA is a listed company.

Therefore, we comply with capital markets law. Working at PUMA means you may have access to inside information about the company. Inside information is not only a confidential information but could, if made public, affect an investor's decision to buy or sell PUMA shares thus affecting the market price of the PUMA share.

Inside information can include information about sales, earnings or other important financial performance figures, significant transactions, changes in key personnel or the entry into a new market.

Using inside information for your own gain, be it personal or business, or for recommending to another person to buy or sell PUMA shares creates an uneven playing field. More importantly, it's illegal and can lead to serious criminal and civil penalties and fines for you and PUMA.

PRINCIPLE 11 – ANTI-MONEY-LAUNDERING

## WE PREVENT MONEY LAUNDERING.



If someone were to receive money illegally, that money would need to be 'laundered' before it can be put into the financial system and spent. Money laundering means falsifying or disguising where that money came from, then returning it to the criminal. There are many ways this can be done, such as with shell companies, large cash payments or through elaborate transfers.

PUMA takes a strong stance against money laundering and takes active steps to ensure our payment channels cannot be used for illegal activities.

**Stay alert!** It's important that you speak up if you see anything suspicious.

Red flags can include:

- » Transfer payment to or from entities or countries not related to the transaction
- » Process a transaction in a way that circumvents the normal process
- » Payments in cash.

PRINCIPLE 12 – TRADE COMPLIANCE

## WE COMPLY WITH NATIONAL & INTERNATIONAL TRADE LAWS.

We have fantastic products and it is no surprise that customers around the globe love them and want access to them.

We are committed to complying with import and customs law, export controls, economic sanctions, denied parties lists etc.

For example, we will not conduct business with persons or companies that are subject to any type of trade embargoes, economic

sanctions or other official restricted lists.

Make sure you engage our Trade Compliance Team to review movements of our products across international borders before they take place. All activities, especially contracts, involving sanctioned countries must be reviewed by the legal and compliance departments.

PRINCIPLE 13 – COMPETITION

## WE COMPETE FAIRLY.



Winning from an unfair advantage is not winning.

We are successful because we work hard and play by the rules. PUMA is committed to ensuring a level playing field and fair and equal conditions for competition. This is not just about protecting our reputation and avoiding lawsuits, but about benefitting our customers and business partners: competition creates more choice, lower prices and higher-quality products for consumers.

Antitrust laws regulate anti-competitive behavior between businesses. These laws prohibit discussions, agreements and understandings among actual or potential competitors regarding price or restriction of market, boycotting certain suppliers or customers.

We do not condone behavior that violates antitrust laws.

PRINCIPLE 14 – ANTI-CORRUPTION

## WE CANNOT BE BOUGHT AND WE DO NOT OFFER BRIBES.

When we win, in life and in business, we want to do so on merit.

When we lose, we want it to be because our competitors were better, not because they paid a bribe.

PUMA does not accept and does not offer bribes in any way, shape or form.

PUMA does not make donations or other contributions to political parties, politicians or related institutions.



PRINCIPLE 15 – FINANCIAL INTEGRITY

## WE KEEP ACCURATE RECORDS.



Bookkeeping isn't just a fun word with three consecutive repeated letters (one of only three in the whole English language), it is the supportive insole in the shoes of any company.

We keep complete, accurate, timely and understandable records to give a fair and complete view on PUMA's performance and to help us do business.

We do not make false statements, misleading entries, material omissions in any of PUMA's books, financial records, personnel records and systems.

PRINCIPLE 16 – TAX COMPLIANCE

## WE PAY OUR FAIR SHARE

PUMA respects all tax laws and international standards in all countries where we operate.

We aim to be a good corporate citizen and pay in full all local and national taxes as required by the law.

Details are stipulated in the PUMA Group Tax Guideline.



PRINCIPLE 17 – CONFIDENTIALITY

## WE PROTECT CONFIDENTIAL INFORMATION.



**As a PUMA employee you have access to a lot of information that could be valuable to our competitors.**

Information about new sponsorship deals, the latest sales figures, new designs or patents could hurt PUMA if it ended up in the wrong hands. Do keep PUMA's confidential business information and the one of our business partners to yourself.

In addition, we invest a lot in technical solutions to prevent cyber criminals from disrupting our business.

PRINCIPLE 18 – DATA PRIVACY

## WE PROTECT PERSONAL INFORMATION.



**Employees, customers and business partners share personal data with us.**

When you give us your information, you establish a trust relationship with us, and we take this relationship very seriously.

We protect the data entrusted to us by handling it properly, using it only for the intended and authorized purposes, and considering the full rights of the data owner at all times.

# SPEAK UP. REACH OUT. PLAY FAIR.

We have now explained the guiding principles of how we behave and make decisions at PUMA.

If you notice any behavior or actions you feel go against those principles, we want you to speak up. You are the best asset we have to ensure a level playing field for PUMA and its competitors: you are on the ground, you deal with these issues every day and you are in the best position to speak up and let us know if we have missed something.

**It's not easy, but it's important.**

Sharing a suspicion about your colleagues can be tough. You may feel you are betraying their confidence by doing so. But ignoring unethical or inappropriate behavior only serves to make the problem worse, while doing nothing to fix it.

If someone gets away with something once, they are more likely to do it again. If you are in doubt, it is always better to ask for advice than to ignore it. Clear and open communication is the quickest way to conflict resolution.

For the full version, please see PUMA FOREVER BETTER website: [PUMA Code of Ethics](#)

## C. Contacts

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General	Mrs Viola Wan	<a href="mailto:viola.wan@puma.com">viola.wan@puma.com</a>

In case of any other questions regarding this manual,

For supply chain topics, please contact the PUMA Supply Chain Sustainability Team at:

Ms. Veronique Rochet  
Senior Head of Sustainability

[veronique.rochet@puma.com](mailto:veronique.rochet@puma.com)

26-27-28 Floor Lim Tower 9-11 Ton Duc Thang Street Ben Nghe Ward District 1, 700000 Ho Chi Minh, Vietnam

For corporate level topics, please contact the PUMA Corporate Sustainability Team at:

[sustain@puma.com](mailto:sustain@puma.com)

## D. UN Global Compact Principles

### **THE TEN PRINCIPLES**

The UN Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption enjoy universal consensus and are derived from:

- [The Universal Declaration of Human Rights](#)
- [The International Labor Organization's Declaration on Fundamental Principles and Rights at Work](#)
- [The Rio Declaration on Environment and Development](#)
- [The United Nations Convention Against Corruption](#)

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption:

### **HUMAN RIGHTS**

- [Principle 1](#): Businesses should support and respect the protection of internationally proclaimed human rights; and
- [Principle 2](#): make sure that they are not complicit in human rights abuses.

### **LABOR**

- [Principle 3](#): Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- [Principle 4](#): the elimination of all forms of forced and compulsory labor.
- [Principle 5](#): the effective abolition of child labor; and
- [Principle 6](#): the elimination of discrimination in respect of employment and occupation.

### **ENVIRONMENT**

- [Principle 7](#): Businesses should support a precautionary approach to environmental challenges.
- [Principle 8](#): undertake initiatives to promote greater environmental responsibility; and
- [Principle 9](#): encourage the development and diffusion of environmentally friendly technologies.

### **ANTI-CORRUPTION**

- [Principle 10](#): Businesses should work against corruption in all its forms, including extortion and bribery.