

Mr. Jochen Zeitz
Corporate Executive Officer
Puma
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Herzogenaurach
Germany

National
132 Leicester Street, Carlton
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23 January 2008

Dear Mr. Zeitz,

In 2006, starting around the time of the World Cup Soccer tournament and following the release of the report *Offside! Labour Rights and Sportswear production in Asia* people from around the world wrote your company asking you to improve workers human rights.

These messages, which are attached to this letter, clearly indicate that many people, including consumers, who buy your gear or would consider doing so, believe your treatment of workers making sporting goods in Asia is unacceptable and that a change in your company's practices is needed.

In many of the letters attached people have taken the time to compose unique messages to your company. You will see from their messages that people want workers throughout your supply chain to be treated fairly and that all your supplier factories should uphold workers labour rights with specific attention to workers rights to form and join union, organise and collectively bargain. Respecting these rights is vital as they have a direct positive outcome in achieving a sustainable livelihood for workers and their families in poor countries.

We are passing these messages on to you and we hope that you will seriously address the concerns of these consumers and citizens from many countries.

Oxfam Australia recognises that Puma has taken some steps towards greater transparency through your company's willingness to engage in open dialogue with trade unions and non-government organizations to address issues in one of your factories. We also know that your company participates in the Fair Labor Association (FLA).

However, there is still a long way to go to make your supply chain, including your purchasing practices, fair and transparent. The recommendations contained in the *Offside!* report with regard to your company, which are listed below, remain outstanding.

Oxfam Australia looks forward seeing concrete changes in Puma' practices in the following areas:

1. Confidential and accessible means for workers to report exploitation and abuse;
2. Independent education and training for workers concerning their rights at work;
3. Transparency regarding company supply chains and efforts to improve conditions;
4. Purchasing practices which allow suppliers to respect labour standards (including stable business relationships and reasonable prices and delivery times);
5. A framework agreement between the ITGLWF and the WFSGI to facilitate freedom of association and collective bargaining;
6. Prioritising retaining unionised factories in the companies' supply chain;

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7. Banning, or severely restricting, the employment of workers on short-term contracts;
8. If factories close, ensuring that workers' receive their full entitlement to severance pay and take steps to help ensure there is no discrimination against worker activists if they apply for jobs with other suppliers; and
9. Not increasing your company's sourcing in countries and free trade zones where the right to freedom of association does not have legal force. Any new production should be in countries and zones where this right has legal effect.

We look forward to hearing from you about how your company has concretely progressed on these major recommendations since the release of the Offside Report and how you are solving the outstanding issues of workers' labour rights in your supply chains. Oxfam Australia remains willing to work with your company and others on achieving these solutions.

Regards,

A handwritten signature in black ink, appearing to read 'Andrew Hewett', with a horizontal line underneath the name.

Andrew Hewett
Executive Director
Oxfam Australia

CC:

Rainer Hengstmann
Global Head of Environmental and Social Affairs
Puma AG