



31 October, 2023

(By Email)

The Cambodian League for the Promotion and Defense of Human Rights

Attn: Naly Pilorge - Outreach Director

Dear Naly,

adidas' response re. unauthorized disposal of waste to Cambodia's brick kilns

Thank you for reaching out to adidas and for sharing information on the unauthorized disposal of pre-consumer garment waste to two brick kilns in Cambodia, one of which has closed, and the other which continues to operate.

We understand that this malpractice is part of your broader investigations into human rights and environmental impacts across Cambodia's brick kiln sector.

We have strict environmental policies in place for our upstream supply chain, and in the case of Cambodia all waste materials, offcuts, etc., from our apparel suppliers must be disposed of, either:

- (1) to an approved waste-to-energy plant that is fully regulated, with air quality controls, etc., or
- (2) to government-licensed recycling centers.

We regularly monitor our supply partners and we have not seen any evidence of our suppliers deviating from our requirements. We have therefore initiated an investigation to see if waste is being diverted from the authorized disposal routes to the brick kilns. If this is being done with the knowledge and involvement of our supplier partners, it would be in breach of our policies and lead to enforcement action.

As you will appreciate it is important for us to pinpoint the source of the waste diversion, and the parties involved, before defining further actions.

We will be in contact again once we have completed our investigations.

Sincerely,