



August 18, 2022

Alim Dhanji, President
adidas Canada
8100 27 Hwy Suite 1
Woodbridge, ON, L4H 3N2

Dear Mr. Dhanji,

On behalf of the undersigned trade union, labour rights organizations and other Canadian endorsers of the Pay Your Workers global campaign, we are writing to urge adidas to take responsibility for wage theft against workers in some of your supplier factories, and to enter into negotiations with unions representing workers in your supply chain for an agreement to resolve the issue of wage theft and protect workers' right to organize and bargain collectively.

At the beginning of the pandemic, factory management at an adidas supplier, Hulu Garment, in Cambodia tricked 1020 workers into resigning to avoid paying them legally owed severance. In May 2022, 5,600 workers at another adidas supplier in Cambodia, Can Sports Shoe, went on strike over unpaid wages – the factory responded by having union leaders arrested.

Adidas has a responsibility to protect the human and labour rights of workers throughout its supply chain; but has failed to act on either of these cases.

In February 2022, adidas' senior executives received a letter from unions representing workers in the global garment, textile, leather and footwear sectors, asking the company to commit to the following demands of the global #PayYourWorkers-Respect Labour Rights campaign, which has now been endorsed by more than 260 organizations from around the world:

- Pay the workers who make your clothing their full wages for the duration of the pandemic;
- Contribute to a Severance Guarantee Fund to ensure that workers in your supply chain are never again left penniless if their factory goes bankrupt or carries out mass layoffs; and
- Protect workers' right to organize and bargain collectively.

By negotiating with unions representing workers in your supply chain, your company has an opportunity to show that it is committed to addressing the devastating impacts of the Covid-19 pandemic on workers, and to advancing stronger social protections in the countries from which you source.

Adidas has a responsibility under the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance to prevent and mitigate adverse human rights impacts in your supply chains, and to remedy harm you have contributed to or caused. As a major global brand, adidas has the financial means and the obligation to ensure that workers receive their full wages and benefits and that their associational rights are respected.

Please share this letter with your global head office.

Sincerely,

Georgina Alonso, Program Officer, Above Ground

Lily Chang, Secretary-Treasurer, Canadian Labour Congress

Aidan Gilchrist-Blackwood, Network Coordinator, Canadian Network on Corporate Accountability

Amélie Nguyen, Coordinator, Centre international de solidarité ouvrière

Lynda Yanz, Executive Director, Maquila Solidarity Network

Chris Aylward, National President, Public Service Alliance of Canada

Marty Warren, Canadian Director, United Steelworkers

Vas Gunaratna, Director, Workers United Canada Council

Cc

Rupert Campbell, Director – adidas, North America,

Lewis Wang, Executive Director, adidas Canada

Laurie Matunin, Director of Supply Chain Procurement