



**MODERN SLAVERY
STATEMENT FY23**

FOREWORD



APPROVAL OF THIS MODERN SLAVERY STATEMENT

This is JD Sports' fourth Modern Slavery Statement, which covers the reporting period 30 January 2022 to 29 January 2023. During this time, JD Sports opened 9 new stores, including 2 stores in New Zealand, and hired an additional 1,565 team members across Australia and New Zealand.

As at the end of this reporting period, JD Sports operates 51 retail stores and 2 online webstores across Australia and New Zealand, employing 4,126 staff throughout our store network, support office, and Sydney-based warehouse.

As a leading multi-channel retailer of the biggest and best global sports fashion footwear, apparel, and accessories (branded and own brand), we recognise the importance of our role in identifying and managing risks of modern slavery.

We acknowledge that there are systemic global challenges facing our industry, and we remain committed to identifying and managing risks of modern slavery in our operations and supply chains. We look forward to continuing to work closely with our suppliers, employees, and stakeholders to build on our strong foundations of modern slavery due diligence.

This Modern Slavery Statement was approved by the JD Sports Fashion Holdings Australia Pty Ltd Board on

Signed by Hilton Seskin on behalf of the Board


[Hilton Seskin \(Dec 21, 2023 10:57 GMT+11\)](#)

Hilton Seskin
Chairman

JD Sports Fashion Holdings Australia Pty Ltd

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REPORTING ENTITIES



IDENTIFY THE REPORTING ENTITIES

JD Sports Fashion Holdings Australia Pty Ltd ABN 15 614 248 332
JD Sports Fashion Australia Pty Ltd ABN 63 614 310 075
JD Sports Fashion NZ Pty Limited NZBN 9429048611374

This Modern Slavery Statement was prepared by the reporting entity JD Sports Fashion Holdings Australia Pty Ltd ABN 15 614 248 332 (**JD Sports**, the **Company**) and its wholly owned subsidiaries JD Sports Fashion Australia Pty Ltd ABN 63 614 310 075 and JD Sports Fashion NZ Pty Limited NZBN 9429048611374, which operate the JD Sports retail store networks in Australia and New Zealand, respectively.

The Company is a subsidiary of JD Sports Fashion plc Company Number 01888425 (**JD Global**).

JD Sports' registered office and principal place of business is Level 12, 338 Pitt Street, Sydney Australia.

This is a single joint statement on behalf of JD Sports and its owned and controlled entities made in compliance with the reporting requirements in Section 14 of the *Modern Slavery Act 2018* (Cth) (**MS Act**) and outlines the actions taken by JD Sports to identify, assess, and address modern slavery risks across our operations and supply chain for the Company's financial year ending 29 January 2023.

STRUCTURE OPERATIONS SUPPLY CHAINS



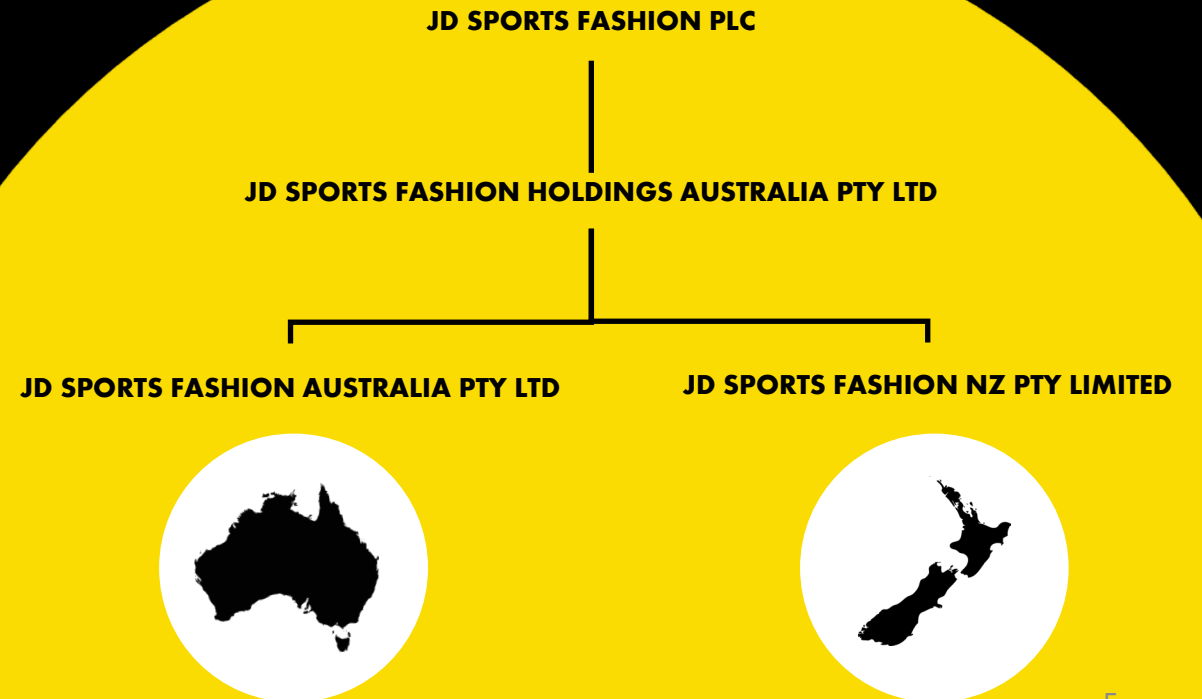
DESCRIBE THE REPORTING ENTITY'S STRUCTURE, OPERATIONS, AND SUPPLY CHAINS

STRUCTURE

JD Sports Fashion Australia and JD Sports Fashion NZ operate the JD Sports retail store networks in Australia and New Zealand.

JD Sports Fashion plc is the parent of JD Sports Fashion Holdings Australia and ultimate parent of JD Sports Fashion Australia and JD Sports Fashion NZ.

JD Sports Fashion Holdings Australia, JD Sports Fashion Australia and JD Sports Fashion NZ operate under a central governance framework and common management system.



OPERATIONS

JD Sports is a leading multi-channel retailer offering consumers premium and constantly evolving sports and fashion brands presented in a vibrant retail theatre with innovative digital technology.

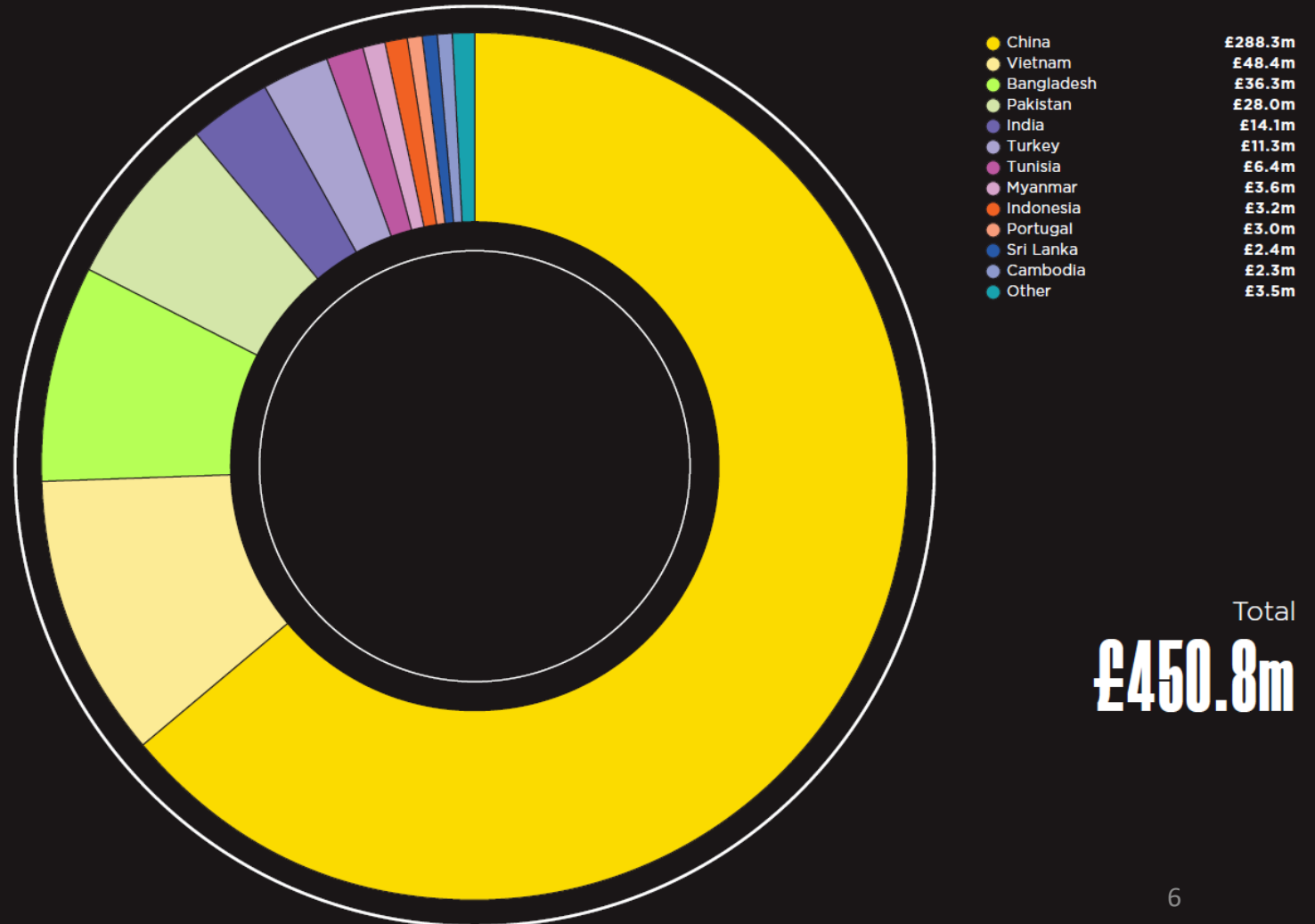
We set the standard for retail experience through best-in-class multi-brand retail operations and connected consumer experiences both online through our region-specific websites (jd-sports.com.au; jdsports.co.nz) and our 51 stores across Australia and New Zealand.

We sell the world's most authentic third-party and own-branded (private label) merchandise across 3 categories (footwear, apparel, and accessories).

JD Global sources from 188 suppliers involving 481 factories across 18 countries and our locally offered private label brands from JD Global's design, sourcing, and manufacturing facilities.



Private Label Product Sourcing 2022/23 (£m)





SUPPLIER AND FACTORY DATA



The analysis and consolidation of the supply base allowed JD Global to reduce the number of Tier 1 suppliers and work to collaboration in the Tier 2 and 3 sites.

This improved transparency and control over JD Global's indirect supply chain, which has increased economies of scale in a narrower supply base.

This consolidation will also establish closer ties with those not directly contracted to JD Global and give greater opportunity to embed JD Global's strategy and standards.

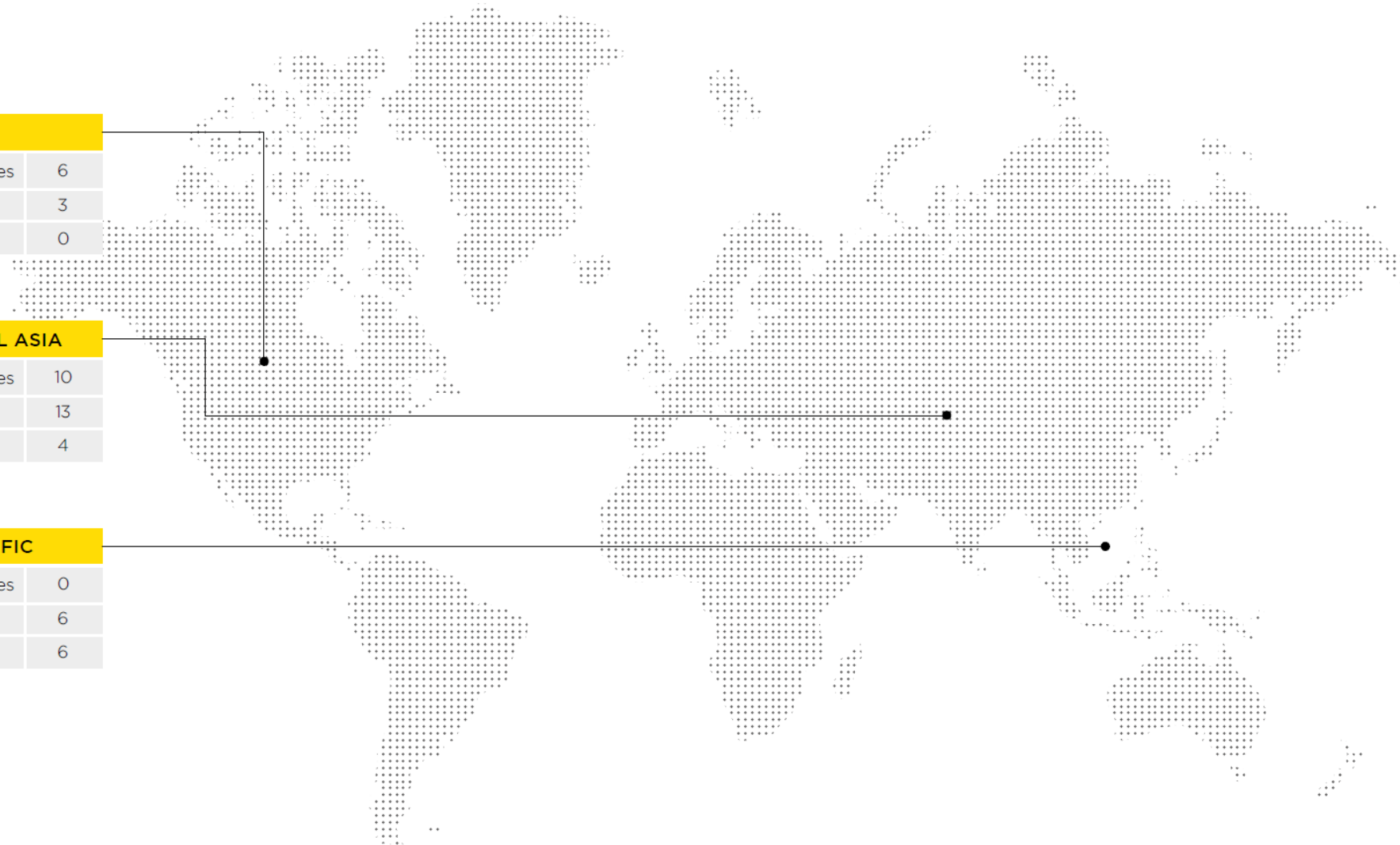


WAREHOUSES

AMERICAS	
Group Operated Warehouses	6
3rd Party Warehouses	3
Transit Hubs	0

EUROPE & CENTRAL ASIA	
Group Operated Warehouses	10
3rd Party Warehouses	13
Transit Hubs	4

ASIA & THE PACIFIC	
Group Operated Warehouses	0
3rd Party Warehouses	6
Transit Hubs	6



*NOT INCLUDING GNFR

SUPPLY CHAIN SPEND



During the reporting period, JD Sports' supply chain spend amounted to approximately \$450m in goods and services.

Majority of our spend related to purchase of products for retail trade, including third party brands and private label brands (65%).

The remaining spend is attributed to non-trade items, being Services and Goods Not For Resale (**GNFR**) for our non-sales operations and non-trade suppliers, including:

- **store fit-out, rental of retail stores and retail operations**
(electricity, cleaning, repairs, and maintenance)
- **advertising, marketing, and printing**
(supporting customers purchasing directly from our retail stores and websites)
- **corporate functions**
(e.g. people/human resources, banking and finance, legal)
- **information and communications technology (ICT)**
- **security equipment and services**
- **consumables**
(e.g. packaging, carrier bags, hangers and labels for merchandise).
- **logistics and warehousing**
(including engaging third-party logistics providers to deliver customer web orders)





MODERN SLAVERY RISKS

DESCRIBE THE RISKS OF MODERN SLAVERY PRACTICES IN THE REPORTING ENTITIES' OPERATIONS AND SUPPLY CHAINS

Modern slavery is the illegal exploitation of people for personal or commercial gain. It covers a wide range of abuse and exploitation including **slavery and slavery like practices including, human trafficking, worst forms of child labour, forced marriage, and debt bondage.**

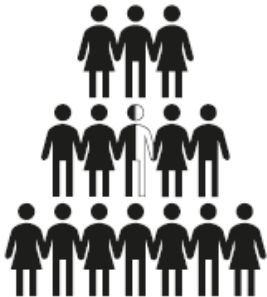
49.6 million people are in suffering forms of modern slavery, globally.

There are more people in slavery today than there has ever been throughout history with 27.6 Million people in forced labour and around one-fifth of all people in forced labour exploitation suffering from situations of debt bondage.

We recognises that the garment manufacture and supply of apparel, footwear and related accessories for retail sale are high-risk industries for modern slavery.

Combating modern slavery is fundamental to JD Sports' approach to business and we're committed to ensuring there are no forms of modern slavery in our supply chain or business operations.

Those employed in our supply chain have the right to be treated with respect, and their health and safety and basic human rights must be protected and promoted.



HUMAN TRAFFICKING

Recruitment, transportation, transfer, harbouring, or receipt of person by means of threat or use of force or other forms of coercion with the intent of exploiting that person for sexual exploitation, forced labour, or slavery, among other forms.



WORST FORMS OF CHILD LABOUR

Includes situations where children are; exploited through slavery or slavery-like practices, including forced recruitment of children for use in armed conflict; used, procured or offered for prostitution; used, procured or offered for illicit activities including production and trafficking of drugs; engaged in hazardous work which may harm their health, safety or morals.



FORCED MARRIAGE

Any situation where persons, regardless of age, have been forced to marry without their free consent.



DEBT BONDAGE

Status or condition where one person has pledged their labour or services (or that of someone under their control), in circumstances where the fair value of that labour or service is not reasonably applied to reducing the debt or length of debt, or the length and nature of the service is not limited or defined.

MODERN SLAVERY MAP

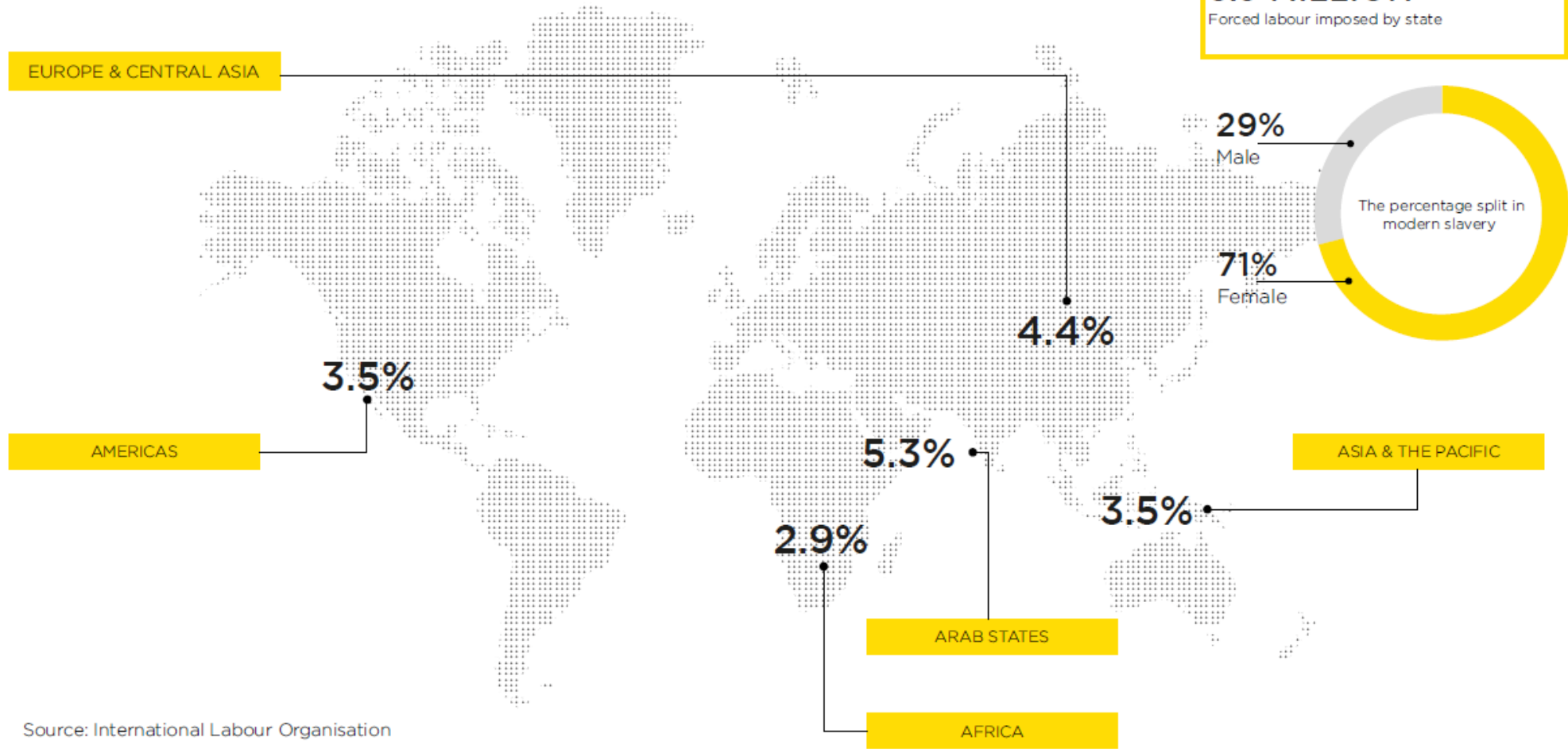
PREVALENCE OF MODERN SLAVERY BY REGION



49.6 MILLION
Men, Women and Children are in slavery globally

27.6 MILLION
People in forced labour, 20% debt bondage

3.9 MILLION
Forced labour imposed by state



Source: International Labour Organisation

MODERN SLAVERY RISKS OPERATIONS AND SUPPLY CHAINS



The reporting entities operate exclusively within Australia and New Zealand and comply with all laws and regulations within those jurisdictions. Our retail staff are employed under Awards (General Retail Industry Award), and there is very low inherent risk of modern slavery due to our extensive industrial relations laws, respectively.

Majority of our products are sourced from global branded organisations, and we have limited insight into their supply chains. However, these major brands typically have sophisticated understanding of their operations and supply chains with established due diligence and risk mitigation processes in place. We primarily deal with local offices of these companies and rely on their modern slavery compliance regimes.

We have greater insight and control over our own branded (private label) suppliers and rely on JD Global's modern slavery risk due diligence program, which prioritises these suppliers and manufacturing facilities.

Notwithstanding, we recognise that the garment manufacture and supply of apparel, footwear and related accessories for retail sale are high-risk industries for modern slavery, particular for workers involved in:

1. harvesting and processing materials and components for production; and
2. manufacturing processes.

Often these processes utilise low skilled workers requiring high labour intensity, leading to greater risks of child labour, forced labour, human trafficking, and deceptive recruitment practices. These risk are heightened having regard to the countries in which these sourcing and manufacturing processes take place, where labour laws may not be strictly regulated.

While we acknowledge the possibility of modern slavery risks existing in our supply chains, we remain committed to operating responsibly and ethical sourcing.

- 1. Sourcing, supply, and manufacture of materials for store fit-outs**
inherent risks associated with the migrant and lower-skilled workers
- 2. Retail and ancillary premises fitout**
limited inherent risk with local (AU and NZ) and in-house services
- 3. Marketing, advertising, and printing**
limited inherent risk with local and in-house services
- 4. Logistics and warehousing**
risks associated with agency workers/labour hire, being forced labour and deceptive recruitment practices of migrant and low-skilled workers
- 5. Retail operations support security and cleaning**
risks of debt bondage, forced labour and human trafficking with vulnerable migrant and lower-skilled workers and agency workers at small companies
- 6. Corporate (banking and finance)**
limited inherent risk with local and in-house services
- 7. ICT services**
inherent modern slavery risks with overseas manufacturing of IT equipment and overseas supply of IT services

MODERN SLAVERY RISKS RECRUITMENT PRACTICES CONTRACT AND AGENCY WORKERS



JD Sports ensures that contracts are in place for all workers, inclusive of probation and termination provisions that comply with local employment laws and regulations and that workers are not required to pay any fees to gain employment.

We recognise that agency workers are often less secure in their employment than contracted workers. They may have less rights in the workplace and are more vulnerable to exploitation.

Labour recruiters and agencies create an additional layer between employers and workers, leaving workers exposed to potentially deceptive or coercive recruitment practices leading to forced labour and bonded labour.

JD understands the importance of our direct and indirect workers and those in the extended supply chain. It is important that those workers can raise any issues of concerns with either JD Sports personnel or an escalation team in confidence and safety.

CASE STUDY: FORCED AND CHILD LABOUR IN THE COTTON INDUSTRY



Cotton is one of the most widely grown crops in the world and within the JD Group's private labels, cotton continues to be a staple material so it is important to recognise the risks. Up to 99% of the world's cotton farmers live and work in developing countries, with almost two-thirds living in either India or China.

There are wide reports of forced and child labour in some of the world's biggest cotton industries including China, India, USA, Pakistan, Brazil, Uzbekistan, and Turkey. Forced and child labour is common in the cotton industry. Children as young as five years old can be recruited and sometimes forced to work in cotton fields or ginning factories (where raw cotton is processed) for little or no pay.

JD Global buys fully factored garments and contract with the Tier 1 supplier (Factory) and despite the supply chain being traced through the manufacturing process, there is little visibility of the farm. In 2015, JD Global joined the Better Cotton Initiative and through this membership the Group has achieved a target of 98% of cotton sourced through the program.

Better Cotton aim to effect change at the farm and community-level, and their field-based staff work to promote decent work, including through labour monitoring, identification and remediation.

Today, 20% of the global cotton production is grown through the program.

Full traceability of farm to factory is improving but it is cost prohibitive, requiring considerable buying power and involves segregation throughout the whole supply chain. However, by aligning our business and our suppliers to support cotton farmers, we are promoting the rights of the workers and the work Better Cotton are doing to eradicate child exploitation, forced labour and promote gender equality.

All Better Cotton farmers (from smallholders to large-scale farms) must, at a minimum, work to uphold JD Global's Fundamental Principles & Rights at Work:

- Freedom of association and the right to collective bargaining
- The elimination of forced labour
- The abolition of child labour
- The elimination of discrimination in employment and occupation.

MODERN SLAVERY ASSESSING ADDRESSING RISKS



ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

As a retailer of leading brands and JD Global's private label products, a major step in our commitment to JD Group's eradication of modern slavery is to identify all parties involved in JD Global's private label manufacturing supply chain - both directly, and indirectly.

JD Global has completed the full supply chain mapping to our 4th Tier private label manufacturing base, being:

Tier One	Factory
Tier Two	Mill House
Tier Three	Dye House
Tier Four	Print House

This mapping supports JD Global's ethical sourcing practices, which are underpinned by the JD Code of Conduct and risk assessment framework.

ONE WORLD ONE MARKET ONE OBJECTIVE

Identify and work to eradicate modern slavery in our supply chain



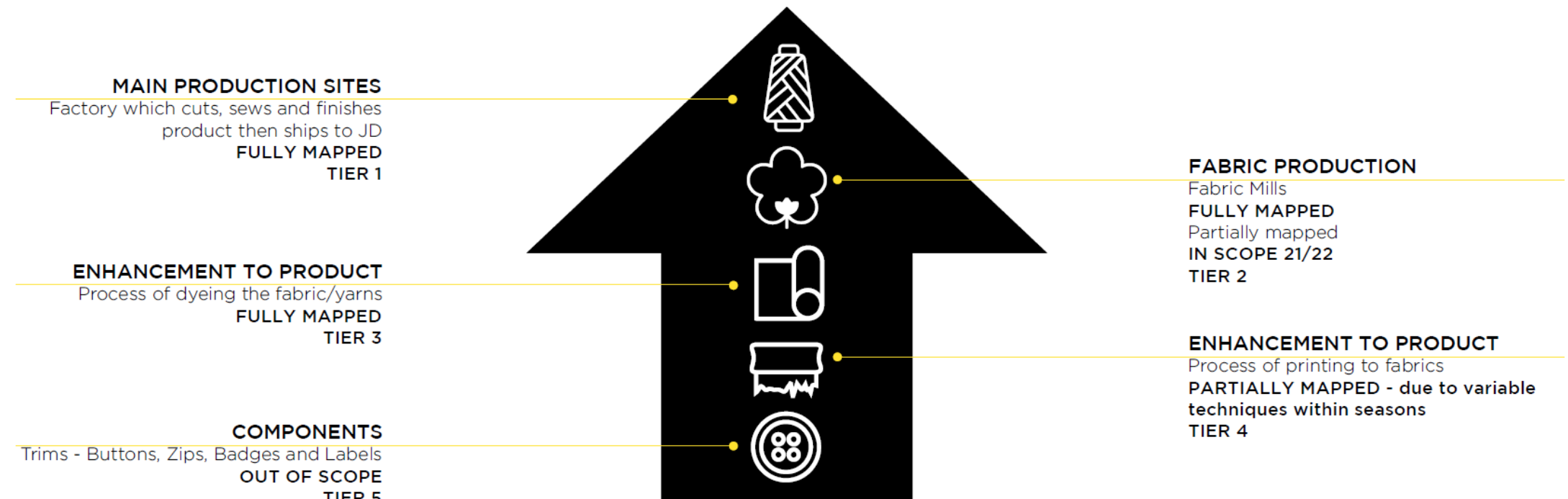
TRANSPARENCY

JD Global has completed the full supply chain mapping to 4th Tier manufacturing base on private label goods, identifying our manufacturing base across the globe.

Whilst we are aware of the need to go further down the chain, the challenges lie in the establishment of the relationships needed to identify and engage with these tiers.

This strategy requires continual engagement with JD Global partners, as manufacturing chains beyond the 1st Tier will often be one that changes due to demand and capacity.

As a supplier of fully factored garments, our partnership does not currently extend past Tier 1 historically, and we recognise the need to promote the development of these relationships further.



JD GLOBAL SUPPLY CHAIN



See [here](#) for full JD Global Supply Chain Map

See [here](#) for JD Global Private Label Supply Chain

Our supply chain by Tier:

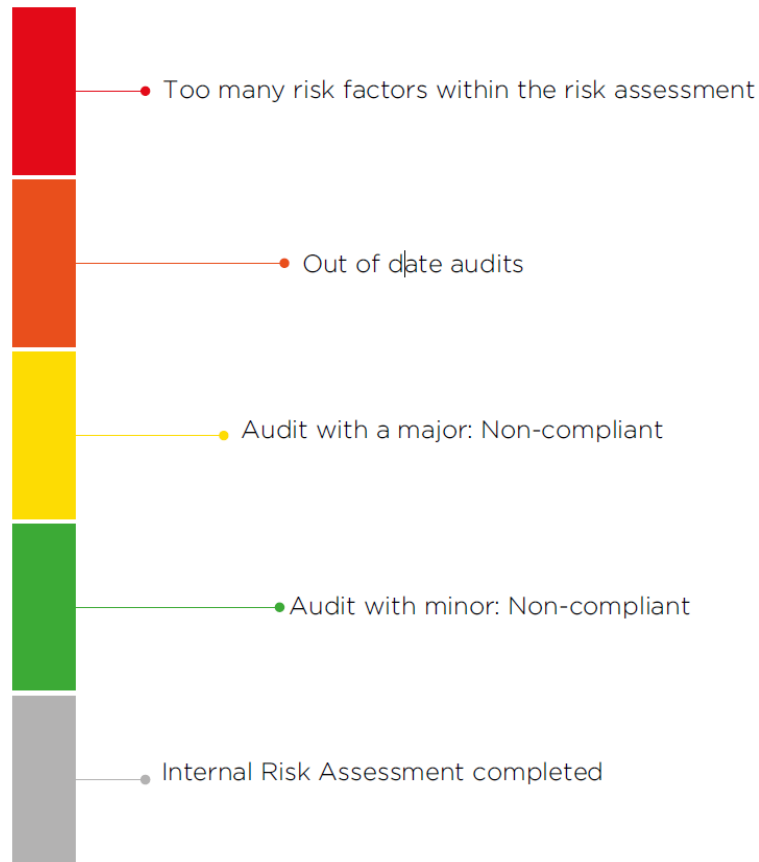
1st Tier	= CMT Site (Factory)
2nd Tier	= Mill
3rd Tier	= Dye House
4th Tier	= Print House

Summary of supply chain partners (Calendar year 2022 vs 2021)

2021	2020
188 agents	191 agents
481 factories	536 factories
18 sourcing countries	19 sourcing countries



RISK ASSESSMENTS



RISK CONTROL SYSTEM

Risk assessments and onsite audits are also part of the on-boarding process for JD Global's overseas suppliers, and while we are mindful of the potential limitation of audits, they can be helpful in identifying a range of human rights and modern slavery issues that can lie within the supply chain.

JD Global's approach to risk assessment comprises self-assessment and country research, supply chain mapping and third-party auditing partnership with Qima (third party audit company) and stakeholder engagement.

Whilst we are mindful of the potential limitation of audits relating to modern slavery, the audit process is a critical in the discovery and management of issues relating to fundamental principles in the JD Code of Conduct and understanding modern slavery risks throughout our supply chain.

Audits identify risk at factory level against that Code of Conduct and local laws, enabling the JD Group to take immediate action and mitigate risk across our supply chain whilst identifying and addressing potential factors that may exist in the background.

The factory setup is reviewed in detail by JD Global's ethical compliance team and any risk areas verified as required. Factory sites are then graded using the traffic light format opposite.

Green, Amber, and Yellow graded sites can be used. Sites graded Red (or undisclosed facilities) cannot be used.

In certain countries sub-contracting is an accepted part of the manufacturing process (e.g. Turkey is an example of this with a large percentage of factories using sewing units outside of their factories or in-house). However, all sewing units must complete a risk assessment.

OUR HIGHEST RISKS

- Private label product supply chain
- Supply chain beyond the first tier not directly contracted
- Specific country risk where modern slavery is high
- GNFR

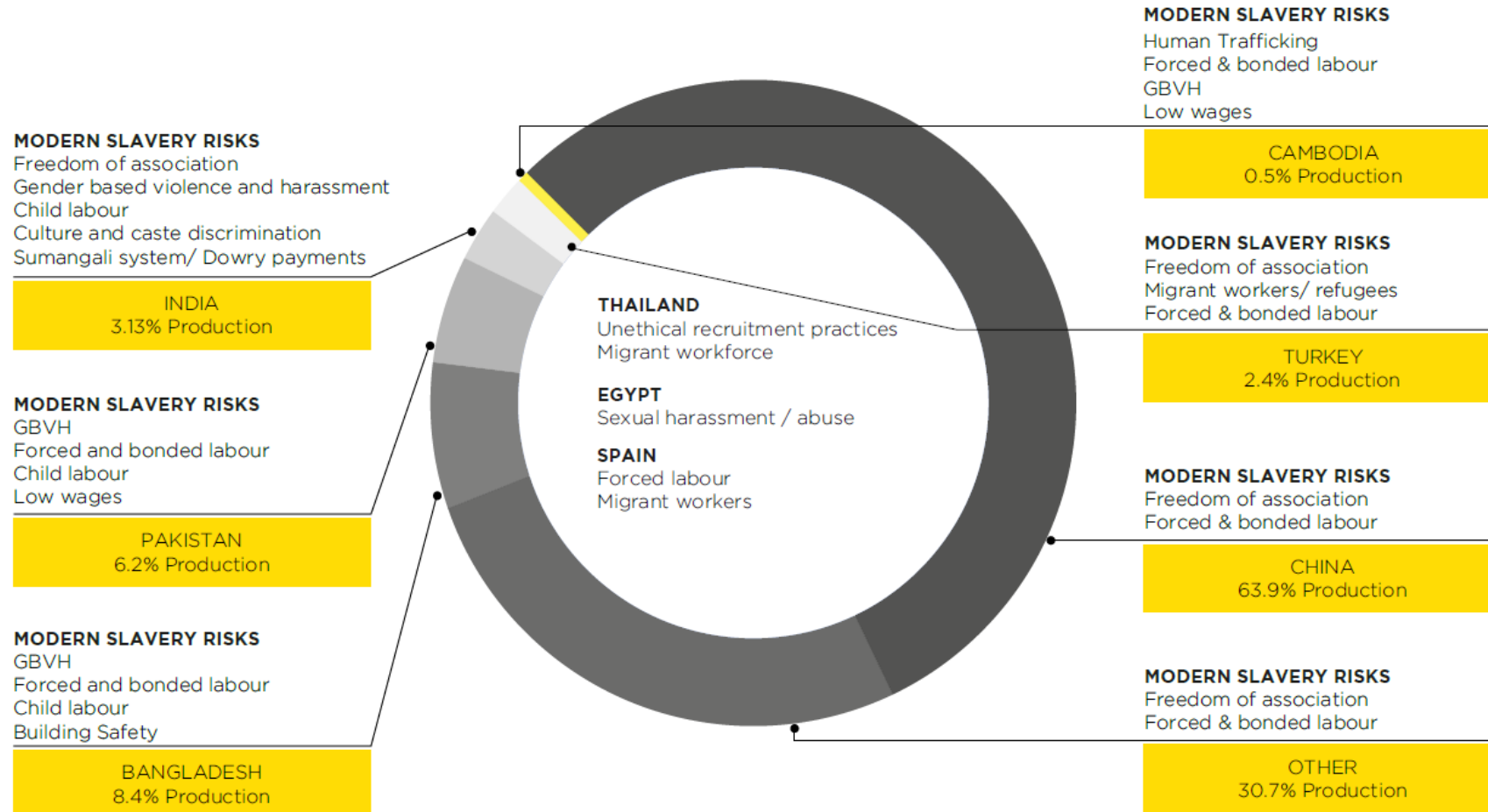
SOURCING COUNTRIES – FOCUS ON RISK



Modern slavery risks are exacerbated in certain regions and by certain industries, products, and labour practices.

We acknowledge the potential for an entity to cause, contribute to, or be directly linked to modern slavery through its operations and supply chains and remain committed to ensuring a meticulous and dedicated approach to ensuring that any risks of modern slavery in our supply chain are appropriately assessed and addressed.

JD Global conduct research using external reports and sources that are publicly available, external multi-stakeholders are also a vital source of information and analysis of the Group's internal data taken from audit and corrective action reports.





ETHICAL SOURCING

The Code of Practice Auditing Standards is a guide that is referenced during site visits to JD Global's private label supply chain to assist in the evaluation process and can be found [here](#).

The JD Global Group regularly visits factories that we work with to check production and standards. This is critical to promote the importance of longer-term relationships which we believe is the key to the protection of workers' rights and working with the factories to achieve higher standards for workers.

It's JD Global Group's aim to ensure that all entities within the Group comply with its policies.

1. Suppliers using Third Party Labour

[Supplier's Using Third Party Labour Provider Policy](#)

2. Child Labour

[Child Labour and Young Worker Policy](#)

3. Forced Labour

[Forced Labour Policy](#)

4. Responsible Exits

[Responsible Exit Policy](#)

5. Migrant Worker

[Migrant Worker Policy](#)

6. Purchasing Practices

[Purchasing Practices](#)

7. Equality and Diversity

[Equality and Diversity Policy](#)

8. Minimum Wage Guidance

Suppliers Using 3rd Party Labour Provider - Modern Slavery 2022

40.3 million people are in modern slavery globally
There are more people in slavery today than there has ever been throughout history

What is the Modern Slavery Act (MSA)?
The modern slavery act was designed to combat

What are the legal requirements of the MSA?
Under new legislation which was passed in parliament in 2015, large businesses

JD Sports Fashion

Code of Practice Auditing standards

**This is not an exhaustive list and it to be used as a guide to

Forced Labour Policy 2022

Almost 21 million people are victims of forced labour
Forced labour in the private economy generates \$150 billion per year

Private individuals, business or state authority can impose forced labour and can incur in any industry.
Any forms of forced labour are strictly prohibited in JD's supply chain. JD commits to implement measure which respect and fulfil this policy

What is Forced Labour?
Forced labour is but not limited to, situations where the worker has been coerced by violence or intimidation, it also includes more subtle means of control.

Excessive Overtime
Forced to work overtime under some form of threat. Cannot earn at least the minimum wage without working overtime. Delaying access to amenities like hot water or cooking facilities at the end of the working day. Restricting transport facility to travel home making overtime the only option.

Child Labour and Young Worker Policy 2022

211 Million Children world wide are child labourers
73 million working children are under 10 years old
22,000 children die every year in work-related accidents

JD have a clear standard relating to the employment of children within our code of conduct which reflects the Ethical Trading Initiative (ETI) base code and the International Labour Organisation (ILO) relating to child labour

Age
The ILO and the ETI state that a child is any person younger than 18 years of age and that 15 is the minimum age at which a child may be employed.

Responsible Exit Policy 2022

JD Sports is committed to the consideration of the workers in the supply chain and an exit strategy / process is necessary in order to alleviate any adverse impact on these workers by sudden loss of business.

A well-thought-out exit strategy and management of supplier expectations can also help mitigate morale and productivity issues and reduce legal and reputational risks.

Minimum Wage/ National Living Wage 2022

Calculating the hourly rate of a salaried employee
(Monthly wage x 12) ÷ 52 = weekly wage. Weekly wage ÷ hours per week = hourly pay.

Who is Entitled?
A worker – someone with a contract of employment or who undertakes work or services for someone else, including part-time or casual contracts or any other

Can an Employer make Deductions?
Deductions can be made from an employee's wage for items such as tools, uniforms or other equipment

Sourcing & Purchasing Practices and Policies

Migrant Worker Policy

Who is a migrant worker?
Migrant workers can be defined into two groups:

International migrant worker – A person who is engaged or who has been engaged in work in a country of which he's he is not a citizen

Domestic Migrant worker – A person who has moved within her/his country to pursue employment.

JD CODE OF CONDUCT



Central to JD Sports' actions to address modern slavery risks is the JD Global's Code of Conduct (**Code**), which underpins our operations by establishing the procedure for protecting workers and providing assurance that private label products are manufactured within safe and fair conditions.

The Code defines labour standards that aim to achieve decent and human working conditions, ensuring that our suppliers are to be treated with respect, and their health and safety and basic human rights must be protected and promoted. The principles incorporated within this Code are based on the International Labour Organisation Standards and internationally accepted good labour practices.

EMPLOYMENT RELATIONSHIP

JD Sports adopts and adheres to rules and conditions of employment that respect workers and safeguards their rights under national and international labour laws and regulations.

NON DISCRIMINATION

No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin.

HARASSMENT OR ABUSE

Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

FORCED LABOUR

There shall be no use of forced labour, including prison labour, indentured labour, bonded labour or other forms of forced labour.

CHILD LABOUR

JD Sports is committed to the prevention, identification and remediation of child labour in all areas of our operations, including our supply chains. No person shall be employed under the local State/Territory minimum age law.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

JD Sports recognises and respects the right of employees to freedom of association and collective bargaining.

EMPLOYER PAYS PRINCIPLE

No worker or employee should pay for a job. The cost of recruitment should be borne by the employer, not by the worker or employee.

HEALTH, SAFETY AND ENVIRONMENT

JD Sports shall provide a safe and healthy workplace to prevent accidents and injury to health arising out of, linked with, or occurring in, the course of work, or as a result of the operation of JD Sports' facilities or premises. JD Sports shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.

HOURS OF WORK

JD Sports shall not require workers to work more than the regular and overtime hours allowed by the law of the State/Territory where the workers are employed. A regular work week shall not exceed 38 hours and workers shall be allowed at least 24 consecutive hours of rest in every 7-day period. All overtime work shall be consensual. JD Sports shall not regularly request overtime and shall compensate such work at a market rate. The sum of regular and overtime hours shall not exceed 60 hours per week (excluding exceptional circumstances).

COMPENSATION

Every worker has a right to compensation for a regular work week that meets the worker's basic needs and provide some discretionary income. JD Sports 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 fringe benefits required by law or contract.



MODERN SLAVERY POLICY AND TRAINING

JD Sports appreciates that training and raising awareness of modern slavery is a critical element within any business and extended supply chains. We have developed dedicated modern slavery training to existing staff and as part of induction for new employees to the business.

The training focuses on:

- the meaning of modern slavery and forced labour
- recognising the indicators
- teaching how to deal with potential issues and gain in-depth knowledge of the company escalation processes

Policies and procedures

JD Sports is committed to ongoing reviews of our governance and management frameworks to strengthen and establish policies and procedures that enhance our capacity to identify, assess and address risks of modern slavery in our continually evolving supply chain.

During this reporting period, JD Global reviewed policies relating to the business' supply chain partners and created Supplier Resource Guidance Documents relating to :

- Suppliers using 3rd Party labour providers
- Forced Labour Policy
- Migrant Worker
- Equality & Diversity

We are also in the process of reinforcing our whistleblowing policy and access to whistleblowing platforms across the reporting entities to raise awareness of the protections about misconduct and how to communicate concerns.

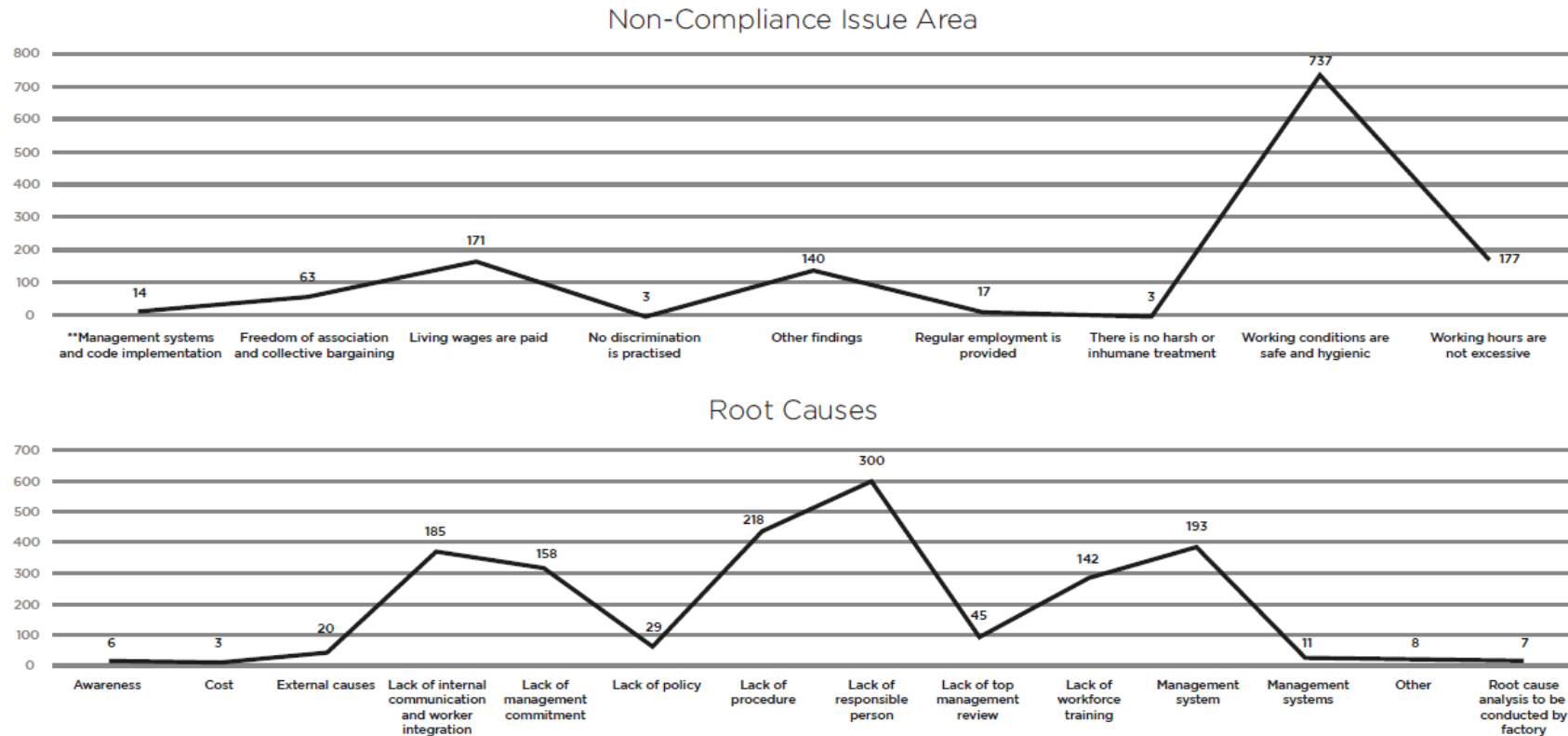
JD GROUP NON-COMPLIANCE DISCLOSURE REPORT



Where JD Global have found instances of non-compliance, these are logged via a Non-Compliance Disclosure Report. JD Global works with factories to quickly resolve issues. The JD Global Compliance Team works within an internal audit scope defined by the International Labour Organisation standards, which classifies all non-compliances and from this, action plans are formulated. JD Global reviews and verifies closures of all non compliances highlighted in the original audit.

The Compliance Team received 278 3rd party audits for the Group, between 1 January 2022 and 31 December 2022 available [here](#). From the information in the audits, non-compliances are categorised according to issue type, root cause and severity level and this is used to create action plans proposed to the factory to work to resolve and close the issues highlighted in the reports/visit.

During the reporting period 40.91% non-compliances cases were closed, while the remaining are the subject of ongoing assessment and remediation.





DISCLOSURES



The closed non-compliances evidence the commitment to improvements and solutions from both the compliance team and the factories to ensure that progress is made and workers have a safe and prosperous environment. Where there are still issues, the work continues to ensure that remedies are implemented, working with the factories and showing long-term commitment through rewarding progress.

ASSESSING EFFECTIVENESS



KEY MONITORING AND ASSESSMENT ACTIVITIES

We are proud of our achievements in the development of our modern slavery awareness and due diligence framework over the last 3 reporting periods. Notwithstanding, we recognise that these are still early days and more can be done.

Our JD Global and local approach to ongoing monitoring and assessment activities across our business are Integral to reviewing the effectiveness of our actions, including:

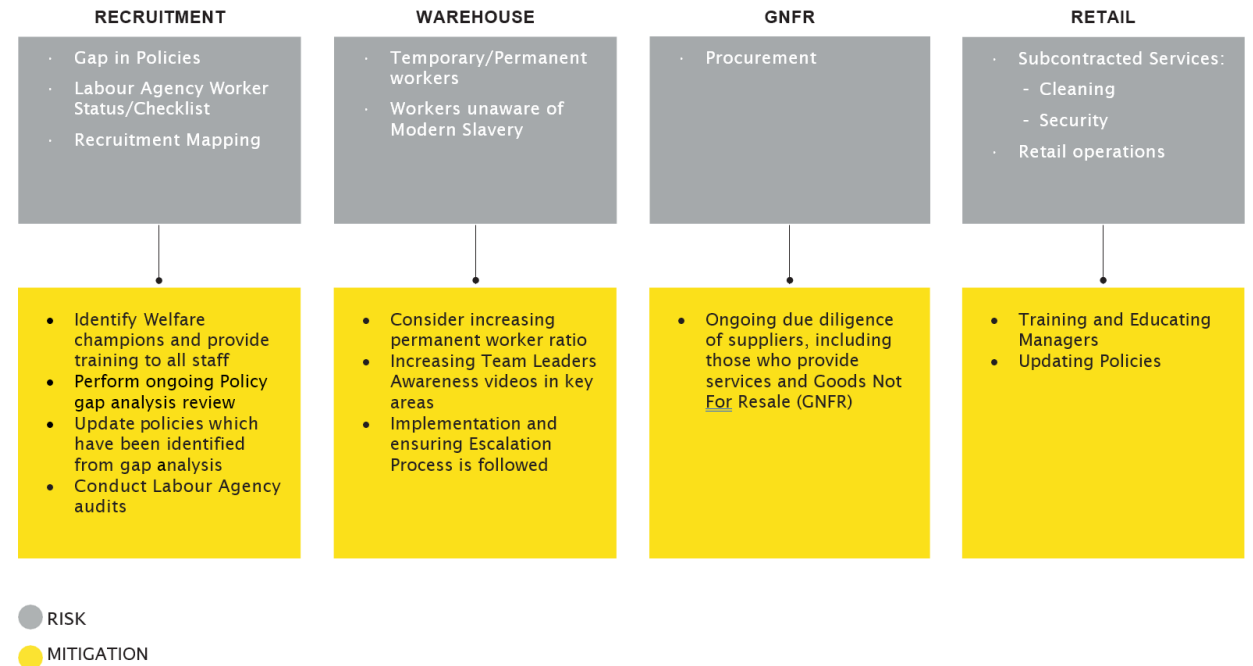
- ethical sourcing reviews;
- focus areas (e.g. minimum wage analysis);
- factory audits; and
- non-compliance reviews, reporting and remediation measures.

ONGOING MONITORING AND ASSESSMENT ACTIVITIES



Following our risk identification and assessment, we continue to evolve our modern slavery compliance program through:

- assessing modern slavery contractual inclusions with our buying teams;
- reviewing policies and procedures (including gap analysis) on driving internal awareness of modern slavery risk;
- assessing Champion training modules for increasing understanding of modern slavery and embedding process changes into our operations;
- working closely with JD Global to gather data about the conditions on the ground in the places where our products are produced; and
- established working groups and a strategic response team to spearhead the assessment of our modern slavery efforts, and to ensure that we continually improve in each reporting period.





GLOBAL MANUFACTURING

TURKEY

- Wage visibility
- Social insurance payments
- Refugee/ transit countries
 - Excessive hours
- Separate contracted sewing units

- Work with suppliers to encourage full transparency on wages paid
- Robust recruitment policies
 - Work with supplier to re-mediate/ reduce
- Full transparency and risk assessment of subcontracted unit

INDIA

- Gender discrimination
- Cultural discrimination (Caste system)
- Excessive working hours
- Child labour exploitation
 - Sumangali scheme
- Recruitment policies

- Create closer partnerships with the supply chain (subcontractors)
 - Training on gender based violence and harassment

CHINA

- Child labour exploitation
- Excessive working hours
- Remuneration difference by region adding complication
 - Delayed payments
- Recruitment policies

- Additional checks on employee recruitment practices
- Worker welfare assessments to continue alongside 3rd party audits

BANGLADESH

- Workers from rural areas subject to exploitative labour practices
 - Child labour
 - Excessive overtime
- Health & safety concerns
- Small profit margins driven by demand for cheaper clothing

- Ensure recruitment practices are in line with company policies
- Ensure price and quality are relevant
- Strict supply chain monitoring
- Limit expansion into multiple factories and embed policies and partnership values

CAMBODIA

- Gender Discrimination
- Small profit margins driven by demand for cheaper clothing
- Excessive working hours
- Unethical recruitment practices/ migration

- GBVH training
- Monitor buying practices
- Work with suppliers to re-mediate/ reduce
- Ensure robust policies are in place on recruitment



'WHOLE OF BUSINESS' APPROACH

JD Sports recognises that identifying and addressing modern slavery risks requires a 'whole of business' approach. The following activities will be key to supporting our monitoring and assessment of our compliance program.

- PARTNERSHIPS** Identify Modern Slavery Partners to assist with implementation of compliance strategies.
Implement SRT and CRT that consists of senior management from Head Office and our warehouse.
- RESPONSIBILITY** Increase awareness by giving our employees the opportunity to come forward and seek support.
- AWARENESS** Demonstrate awareness and commitment to addressing modern slavery risks by implementing material, e.g. posters in the warehouse.
Circulate video streams of examples of modern slavery to key areas of the business any analyse engagement.
- POLICIES** Review policies and procedures and undertaken a gap analysis making any necessary updates.
- AUDIT** Audit all employees within workforce in relation to right to work documents (where applicable).
- TRAINING** Ongoing Modern Slavery training.
Modern Slavery Champions have been carefully selected across the business to provide first line support to colleagues on site on issues relating to general health difficulties and to support the detection and appropriate escalation of potential modern slavery matters.

JD GLOBAL AUDITS

AUDIT STATUS V LAST PERIOD



Factories used by the JD Group are audited by accredited third-party, specialist assessment, and audit suppliers (see chart, right).

Of the 16% of factories where an audit did not take place within the period, almost half were not required due to either:

- low levels of expenditure;
- the operating period represented the first year in which the JD Group worked with the factory (in which case, the factories had been successfully pre-qualified).

Protection of workers within our supply chain is non-negotiable. The JD Group continues to adopt a zero-tolerance approach to critical issues identified by Group personnel or third-party auditors. From physical working environment concerns to behavioural issues impacting or harming workers, the JD Group commits to enacting corrective action plans to improve conditions wherever, and whenever appropriate.

Audit Status last year vs this year (% of Factories/Tier 1)

Audit required



Third-party audit within validation date



No Audit Required



ETHICAL SOURCING REVIEWS IMPROVED CUMULATIVE REMUNERATION



JD Global continuously assess factories, ethical sourcing, and quality management and work with suppliers to improve conditions in the factories within the supply chain. The Group recognises that brands and retailers need to do more to address gross deficiencies in wage and other forms of compensation for workers in their supply chain. Paying fair living wages creates an economy that leads to increased worker morale, health and improved quality of service.

The JD Group define the living wage by using the Global Living Wage Coalition. This definition seeks to ensure that workers can afford decent housing, meet the basic needs of themselves and their families, and accumulate savings, all without working overtime.

JD Global acknowledges that the change required cannot be enacted in one phase and started by evaluating factory workers earnings in the Group's own Tier 1 supply chain. JD Global are working to find ways to encourage reward for workers for the increased private label business that results from consolidation of the supply base and to instill the principle that every worker has the right to fair compensation.

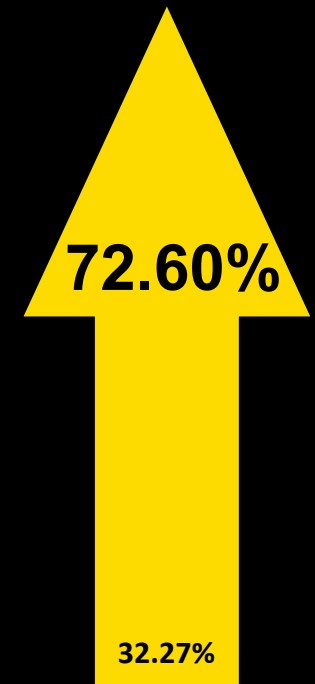
During this reporting period, JD Global implemented a remuneration input tool requiring factories to provide monetary values for facilities and benefits provided over and above regulatory and legal pay requirements. Data collected includes;

- Basic wage.
- Incentive pay such as bonuses.
- In-kind benefits such as free meals, accommodation, transport etc.
- Cash benefits

The data did not include overtime as this is not a guaranteed income workers can control or rely on or deductions such as social insurance as workers are able to opt out.

This additional level of audit enabled the Group to identify suppliers and factories where worker compensation (incorporating all benefits) met or surpassed local living wage estimates.

Utilising the cumulative remuneration analysis, the number of facilities meeting living wage increased from **32.27%** to **72.60%**.



Increase in no. of facilities meeting living wages

CONSULTATION GOVERNANCE



JD Sports owns and controls JD Sports Fashion Australia Pty Ltd and JD Sports Fashion NZ Pty Limited operating in Australia and New Zealand, respectively.

JD Sports' entities operate under a common central governance framework and common management system. Accordingly, consultation is not required as the same individuals represent each of these entities.

Over the course of this reporting period, we have established:

1. STRATEGIC AND CRITICAL RESPONSE TEAMS (SRT and CRT)

Comprises senior management from our Head Office and our warehouse.

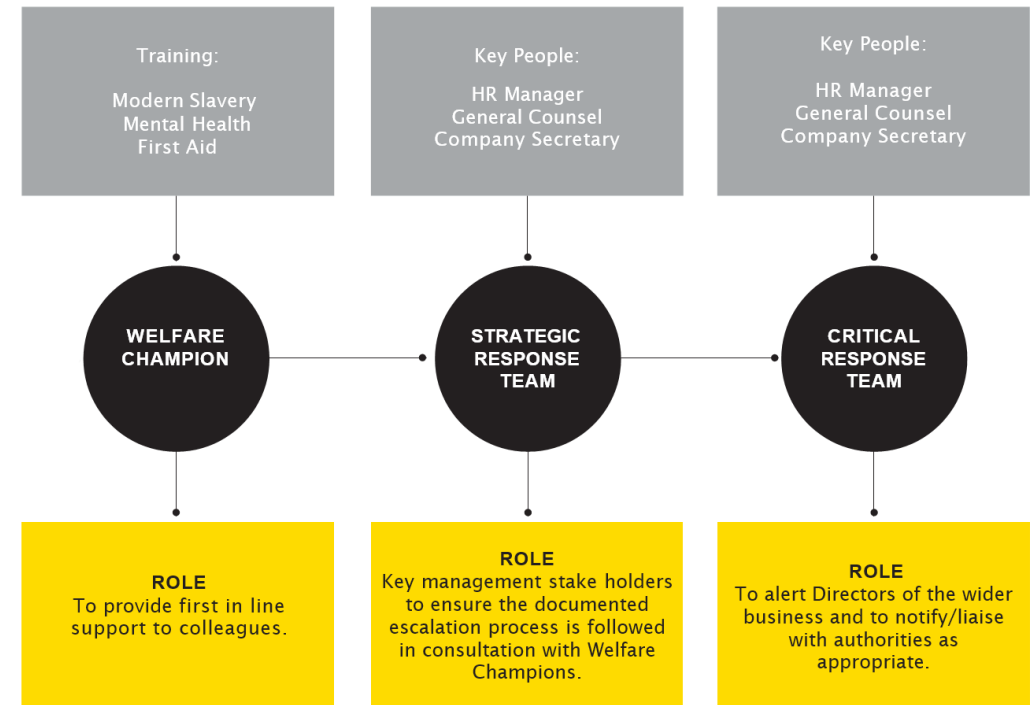
The SRT reports to the CRT and JD Sports' Board and is charged with managing the Company's responsibilities and obligations regarding modern slavery risks across its operations and supply chains. The CRT are responsible for liaising with authorities, if required.

JD Sports' Board is accountable for the Company's management of modern slavery risks.

2. WELFARE / MODERN SLAVERY CHAMPIONS

Support the SRT in monitoring modern slavery risks across our operations and supply chains.

Include the	CFO and Company Secretary	Chief Information Officer
	General Counsel	General Manager Buying & Product
	Head of People	Head of Retail
	(Human Resources)	Head of Multi-Channel
	Head of Warehouse	



OTHER RELEVANT INFORMATION



ONGOING COMMITMENTS

RESPONSIBILITY

As the JD Group expands into territories that now have reporting responsibilities in their own right, it is important that our Group works to assign responsibility and accountability for addressing human rights risks including modern day slavery and human trafficking in these countries.

TRAINING

Regularly conduct a needs analysis for workers within AU and NZ sites to determine and meet their need for internal capacity building training and specialist support.

POLICIES

Continue to communicate and review our policies and adapt them accordingly as needed. JD Global policies are available on our parent company site and on a supplier SharePoint link in multiple languages.

Please see link to our policies [here](#).



JD Sports Fashion Holdings Australia Pty Ltd - Modern Slavery Statement 2023

Final Audit Report


2023-12-20

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