



**MODERN SLAVERY
STATEMENT FY21**

Contents

1. Reporting entities	2
2. Structure, operations, and supply chains	3
3. Risks of modern slavery	4
4. Assessing and addressing risks of modern slavery	8
5. Assessing effectiveness	12
6. Consultation	16
7. Other relevant information	16

1. Reporting entities

Identify the reporting entities

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 30 January 2021.

2. Structure, operations, and supply chains

Describe the reporting entity’s structure, operations and supply chains



JD Sports was established in the Australian market in 2017 and has since expanded to become a leading multi-channel retailer of the biggest and best global sports fashion footwear, apparel, and accessories (branded and own brand).

The Company operates 30 stores across NSW, VIC, QLD, WA and online, employing 1,502 staff members including our support office and warehouse staff based in Sydney.

Trade suppliers (products for retail sale)

We hold distribution rights for a range of international brands and offer consumers exclusive product ranges across 3 core categories (footwear, apparel, and accessories) from our extensive list of global suppliers (including over 40 in store). JD Sports also offers locally 5 in-house brands from JD Global’s design, sourcing, and manufacturing facilities.

JD Global sources products from 176 brands and wholesale suppliers, involving 496 factories in 21 countries.

The Australian supply chain:

1. supplier sourced third-party brands of footwear, apparel, and accessories for retail sale
2. JD Sports in-house brands exclusively from the factories used by JD Sports Fashion PLC, which are subject to the due diligence program undertaken by JD Global

Non-trade suppliers – Services and Goods Not For Resale (GNFR)

JD Sports also utilises services and Goods Not For Resale (GNFR) for both non-sales operations and non-trade suppliers, including:

- 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. 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 - engaging third party logistics providers to deliver customer web orders



3. Risks of modern slavery

Describe the risks of modern slavery practices in the reporting entities' operations and supply chains

Scale and prevalence of modern slavery

The term modern slavery is used to denote practices defined in the MS Act and includes eight types of serious exploitation.

1. servitude
2. slavery
3. forced labour
4. forced marriage
5. the worst forms of child labour
6. debt bondage
7. deceptive recruiting for labour or services
8. trafficking

These forms of exploitation deprive individual freedoms for the personal or financial gain of others.

Modern slavery is a global challenge which is estimated to affect over 40 million people, with the highest estimated levels in Africa followed by Asia and the Pacific.

Footwear and apparel production

We understand that the footwear, apparel, and retail sectors are high risk industries for modern slavery, in particular workers involved with:

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

Majority of our products are sourced from global branded organisations, and we have limited insight into their supply chains. We primarily deal with local offices of these companies and rely on their modern slavery compliance regimes.

We have substantial insight and control over our own branded (private label) suppliers and rely on JD Global's modern slavery risk due diligence program for these suppliers and manufacturing facilities, detailed in Section 4.

Contract and agency workers

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.

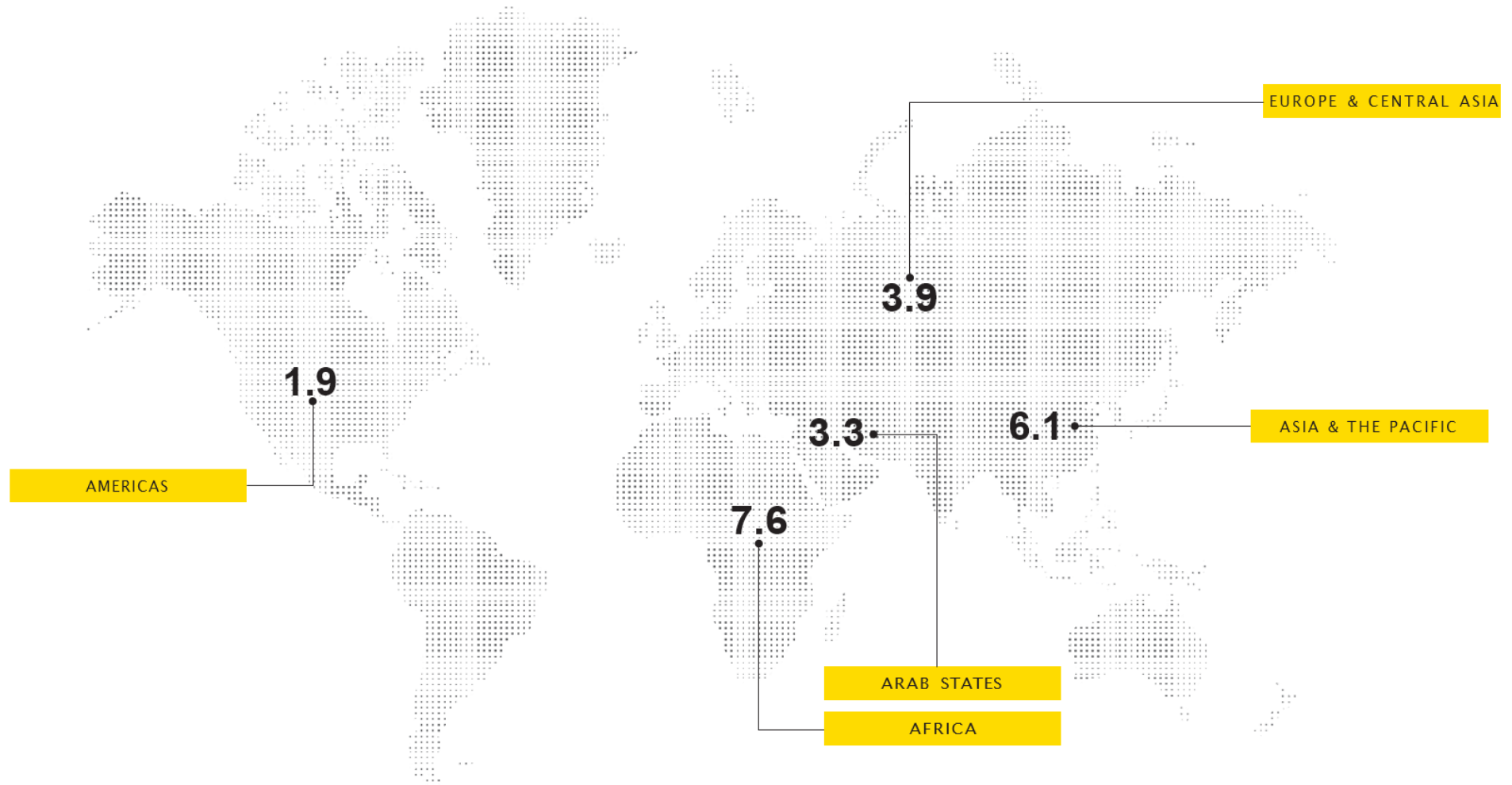
It is important that those workers can raise any issues of concerns with either JD Sports personnel or an escalation team in confidence and safety.

Retail operations

1. Sourcing, supply, and manufacture of materials for store and warehouse fit-outs – inherent risks associated with the migrant and lower-skilled workers
2. Retail and ancillary premises fitout – limited inherent risk with local 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
5. Retail operations support security and cleaning – risks associated with vulnerable migrant and lower-skilled workers and agency workers/labour hire
6. Corporate (banking and finance) – limited inherent risk with local and in-house services
7. ICT services – inherent modern slavery risks with offshore manufacturing of IT equipment and offshore supply of IT services
8. Retail staff – employed under Awards (General Retail Industry Award) – very low inherent risk of modern slavery supported by the robust industrial relations law in Australia and New Zealand

MODERN SLAVERY MAP

PREVALENCE OF MODERN SLAVERY BY REGION



According to the Global Slavery Index (available at: [Global Slavery Index](#)), recently there were as many as 5.4 victims of modern slavery for every 1,000 people in the world, with the highest prevalence of modern slavery in Africa, being 7.6 victims for every 1,000 people in the region, followed by Asia and the Pacific (6.1 victims per 1,000) and Europe and Central Asia (3.9 victims per 1,000).

SCALE OF MODERN SLAVERY

40.3 MILLION

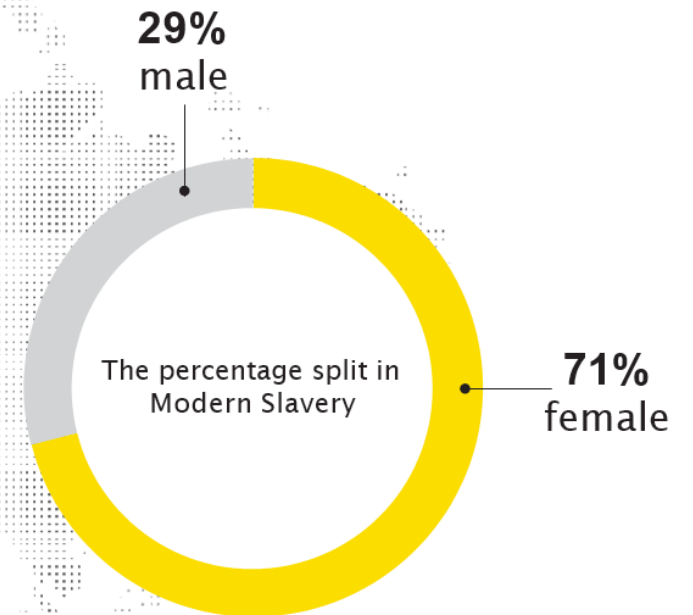
Men, Women and Children are in Slavery globally

25 MILLION

People in forced labour, 50% debt bondage

US\$150 BILLION

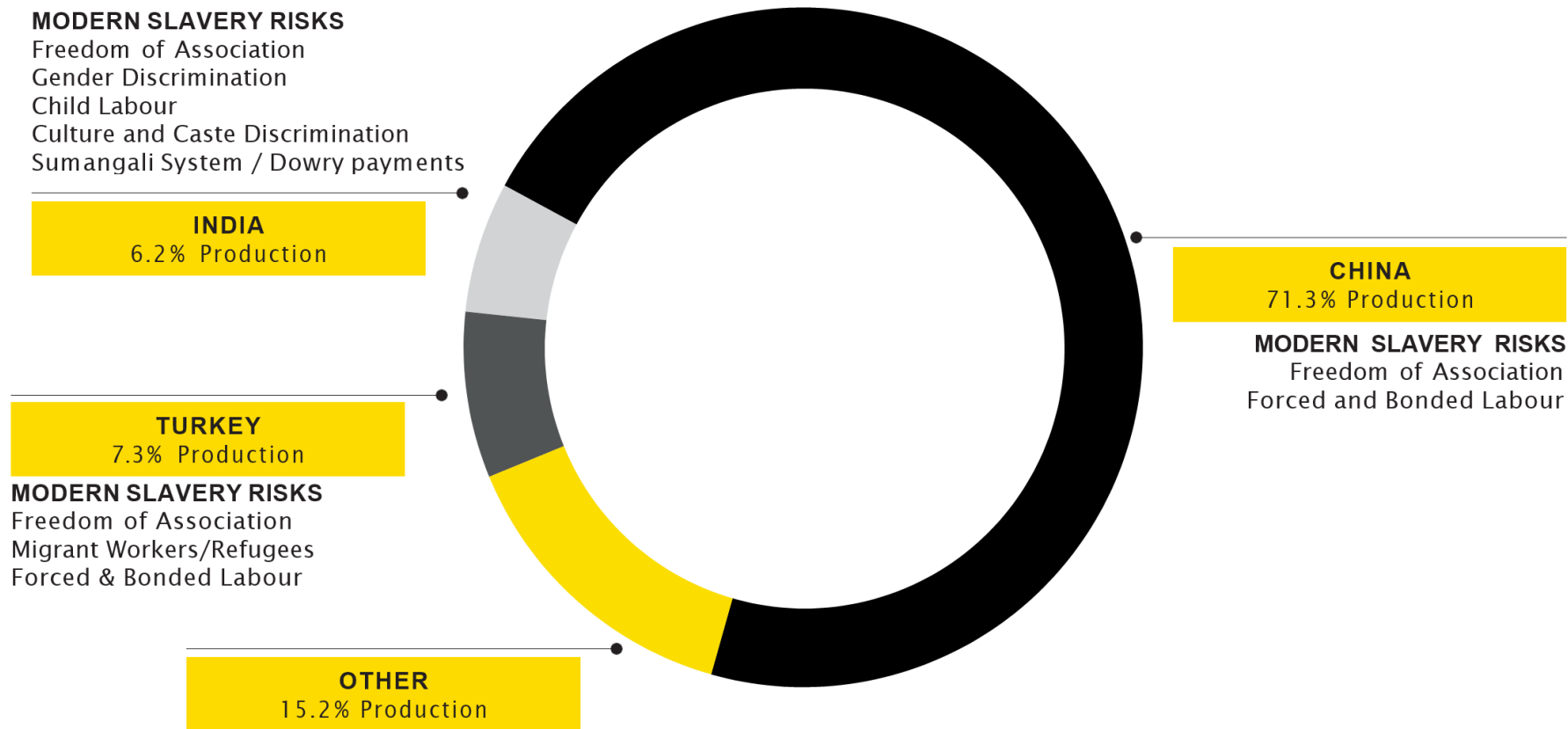
Annual trade value of people trafficking



Sourced: International Labour Organisation

The International Labour Organisation recently estimated that 40.3 million men, women and children were victims of modern slavery globally (available at: [Global Findings](#)).

SOURCING COUNTRIES



We recognise that modern slavery risks are exacerbated in certain regions and by certain industries, products, and labour practices and that the footwear and apparel industry is at high risk, including JD Global's primary production sourcing countries (China, Turkey, and India).

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.

4. Assessing and addressing risks of modern slavery

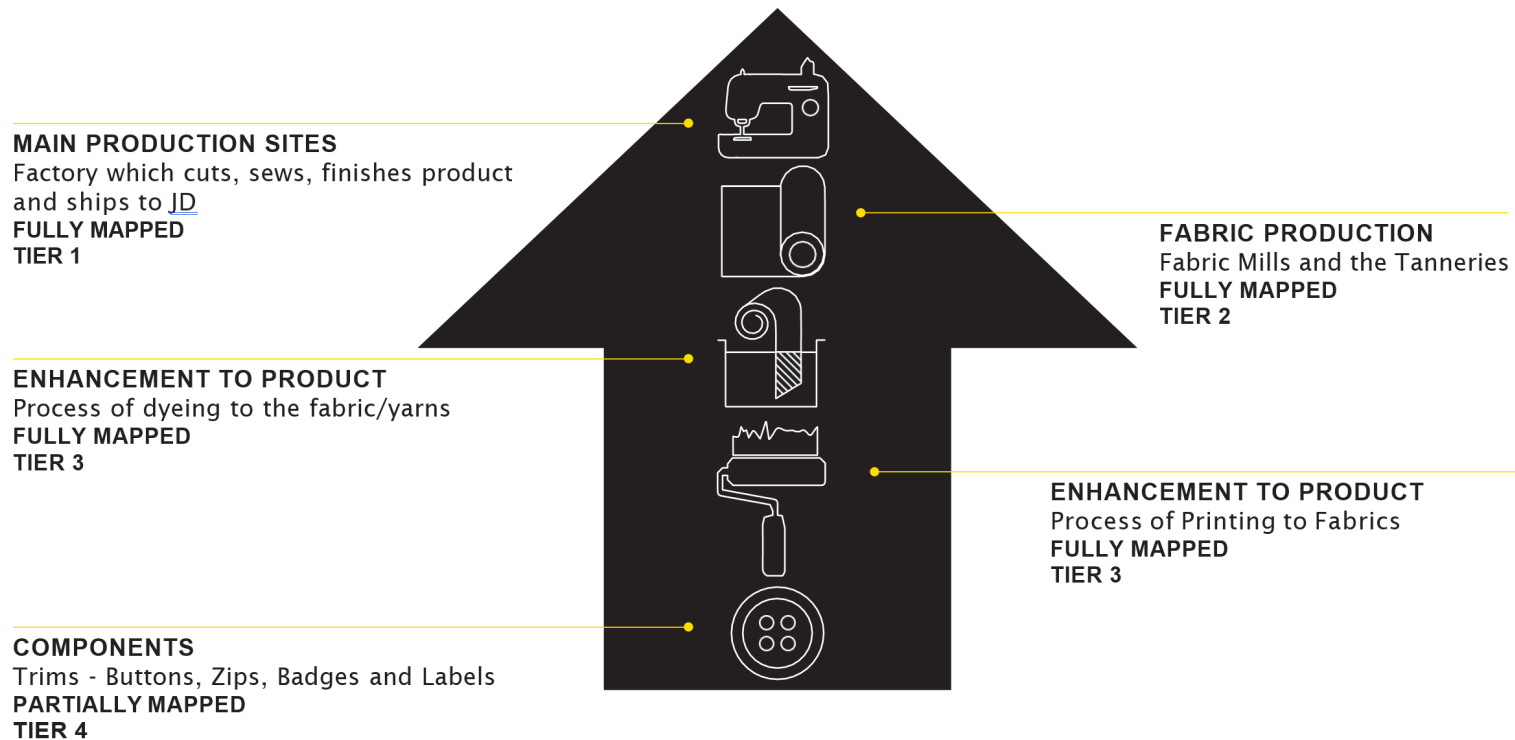
Actions taken to assess and address risks

Supply chain mapping

JD Sports and JD Global have carried out supply chain mapping and risk identification. JD Sports has enhanced its understanding of the product supply chain and the risks that lie within it. Mapping has been undertaken in relation to the locations of suppliers' factories and identifying the locations of warehousing services, globally. 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 has completed mapping of our supply chain to our 4th Tier manufacturing base on own brand (private) labels, identifying our manufacturing base across the globe.

This strategy requires continual engagement with our partners, as manufacturing chains beyond first tier will often be one that changes due to demand and capacity.



Risk traffic light system

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 our Code of Conduct and understanding modern slavery risks throughout our supply chain.

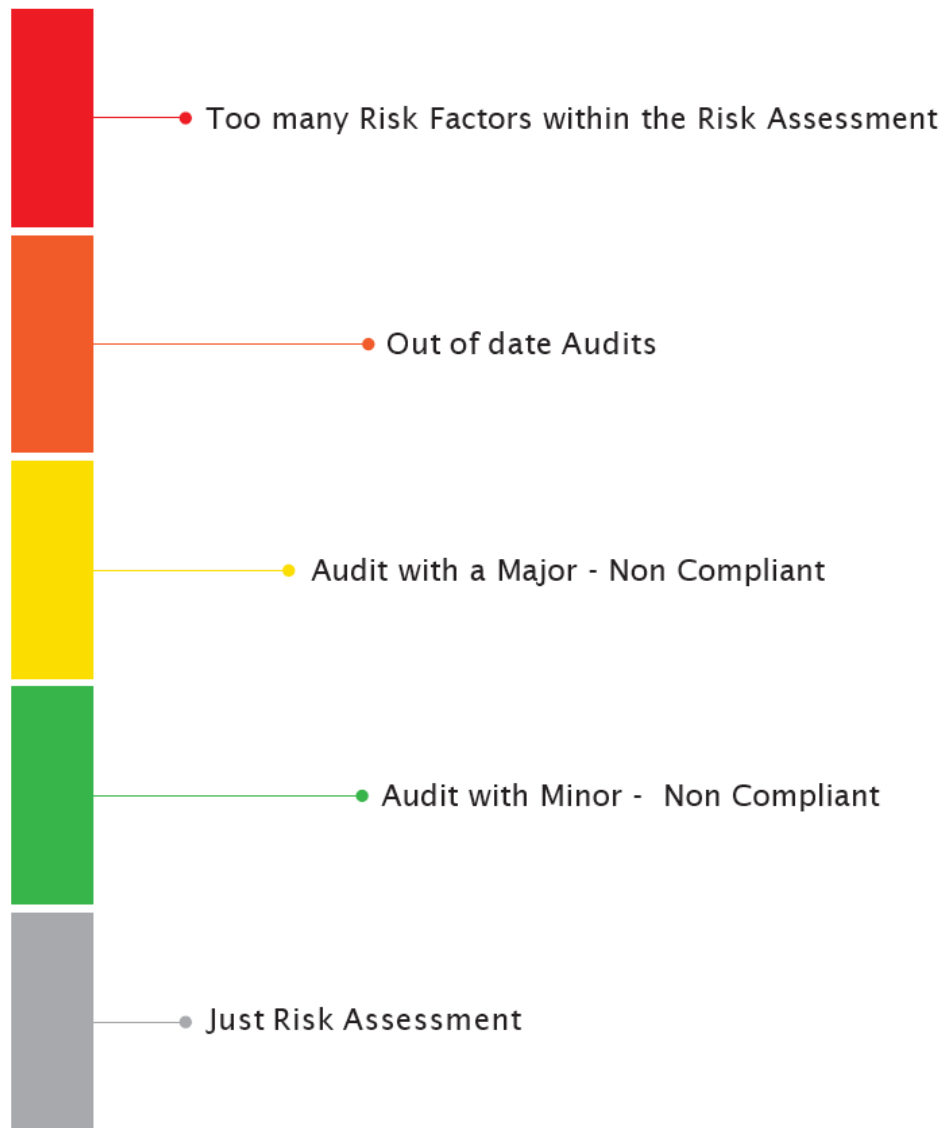
Audits identify risk at factory level against that Code of Conduct and local laws, enabling the JD Group to take immediate action and mitigate risk across our supply chain whilst identifying and addressing potential factors that may exist in the background.

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.

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

In certain countries Sub-contracting is an accepted part of the manufacturing process, Turkey is an example of this with a large percentage of factories using sewing units outside of their factories or in-house.

More information on the JD Group Private Label Supply Chain is available by clicking this link: [Private Label Supply Chain](#).



Code of Conduct

JD Sports has a comprehensive policy framework that governs our corporate behaviour. We are committed to respecting the dignity of our team members as well as their legal entitlements and human rights and will look to require this commitment from suppliers and contractors as a part of modern slavery compliance program.

Our Code of Conduct applies to the business, its managers, and team members and contains commitments to conduct dealings responsibly in environmental and social terms.

The following policies support our ability to manage risks of modern slavery in our operations and supply chain.

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. 'Child' is defined as any persons under fifteen years of age, unless a national or local law stipulates a higher minimum working age, in which case the higher age shall apply.
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 the 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 setting 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. 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 over-time hours allowed by the law of the State/Territory where the workers are employed. The regular work week shall not exceed 38 hours and workers shall be allowed at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. JD Sports shall not regularly request overtime and shall compensate overtime work at a market rate. Other than in exceptional circumstances, the sum of regular and overtime hours shall not exceed 60 hours per week
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. 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.

Recruitment Practices

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.

Training and establishing Welfare/Modern Slavery Champions

JD Sports appreciates that training and raising awareness of modern slavery is a critical element within any business and extended supply chains.

We are implementing dedicated modern slavery training to existing staff and as part of induction for new employees to the business.

We are also in the process of appointing key employees across JD Sports as Welfare/Modern Slavery Champions. These Champions will be tasked with increased responsibilities to better understand and mitigate risks of modern slavery.

Objectives from the training sessions will be:

- understand the meaning of modern slavery and forced labour
- recognise the indicators
- know 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.

These efforts will be supported by continuous implementation of supplier minimum standards and engaging with suppliers on their application. This will assist us to ensure our new suppliers meet our standards and values, and to facilitate conversations on due diligence with existing suppliers across all areas of the supply chain. The minimum standards will also underpin contractual inclusions to make our commitments enforceable and robust.

5. Assessing effectiveness

JD Sports is committed to a continuous improvement approach to modern slavery risk management. Following on from our risk identification and assessment activities, we will be continually evolving our modern slavery compliance program.

We monitor effectiveness through the following:

- reviewing compliance of our suppliers according to JD Global standards
- assessing the roll out of modern slavery contractual inclusions with our procurement teams
- reviewing policies and procedures (including gap analysis) on driving internal awareness of modern slavery risk
- assessing the roll out of Champion training modules for increasing understanding of modern slavery and embedding process changes into our operations
- working closely with other members of the JD Group to gather data about the conditions on the ground in the places where our products are produced
- establishing 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

JD Global also undertakes ongoing assessment of the effectiveness the Group's modern slavery compliance program through factory visits and on the ground training.

Factory visits

JD Global own label brand teams regularly visit the factories to check production and are ideally placed to spot any red flags that may be indicators of modern slavery and re-enforce the business' code of practice and ethical behaviours.

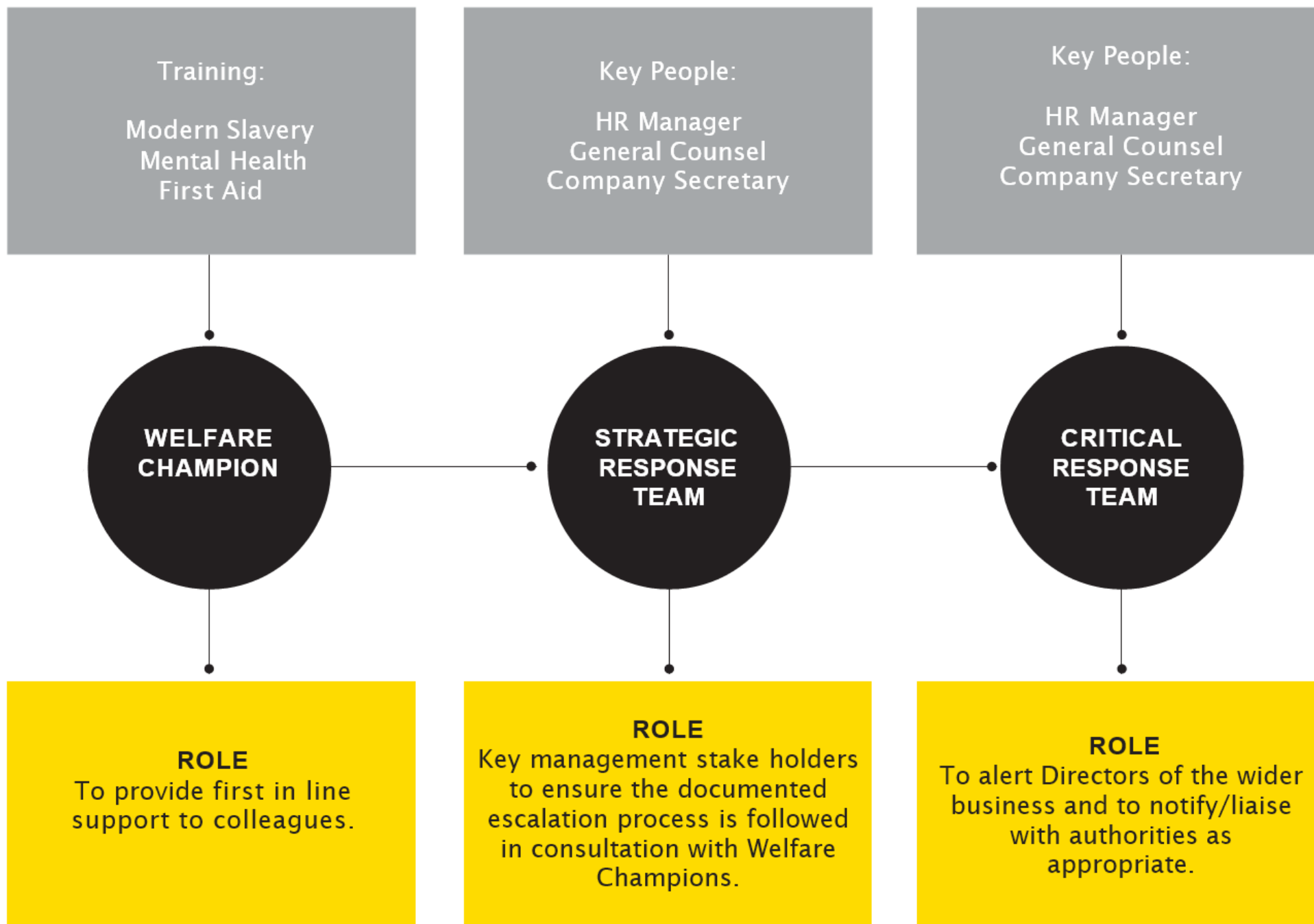
Training

JD Global product teams receive extensive training both in the "classroom" environment at UK's head office and on the ground in the factories from the senior sourcing team, to enable them to report potential risks back to the escalation teams.

During 2021/2022 modern slavery compliance training will be integrated into the business and become a core part of management training in retail.

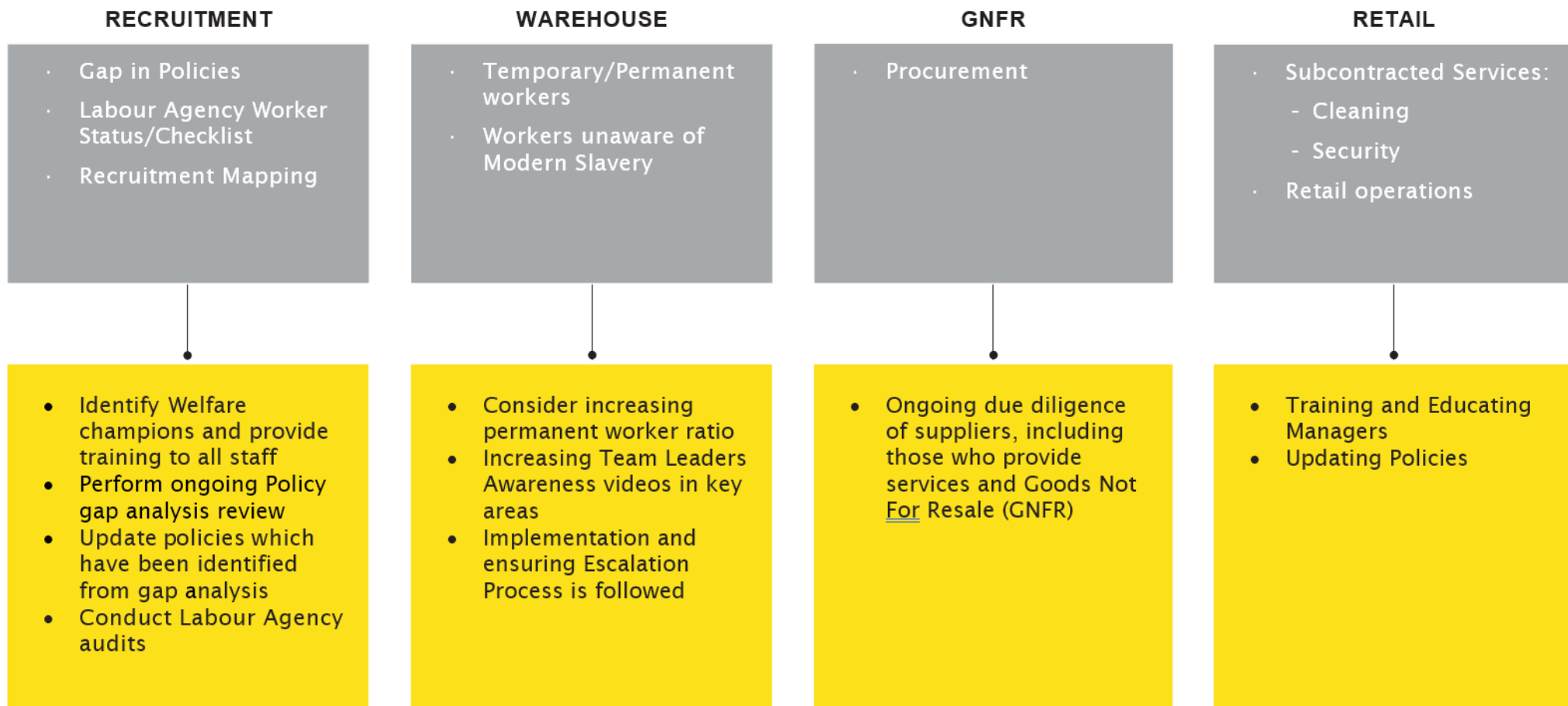
Escalation process

JD Sports has established a local escalation process to support our modern slavery compliance program and assess its effectiveness involving welfare champions, a strategic and critical response team. This escalation process provides first in line support to colleagues up to alerting Company directors and liaising with authorities (if required).



Continuous review

JD Sports is committed to undertaking ongoing monitoring and assessment of modern slavery risk identification and mitigation measures across the business, including recruitment practices, warehouse, procurement of services and goods not for resale and our retail operations.



● RISK

● MITIGATION

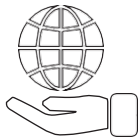
KEY MONITORING AND ASSESSMENT ACTIVITIES

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 Strategic Response Team that consists of senior management from Head Office and our warehouse.



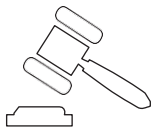
RESPONSIBILITY

- Increase awareness to our workforce population by giving our employees to opportunity to come forward and seek support, emotional, physical, vocational & financial wellbeing.



AWARENESS

- Demonstrate awareness and commitment to addressing modern slavery risks by implementing material, e.g. posters throughout the warehouse. Implement video streams of examples of modern slavery in key areas of the business.



POLICIES

- Review policies and procedures and undertaken a gap analysis making any necessary updates (including recruitment policy and agency workers policy).



AUDIT

- Audit all employees within workforce in relation to right to work documents (where applicable).



TRAINING

- Implement how to identify Modern Slavery indicators 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.
- An escalation process is in place within the head office business and a critical response team set up which is headed up by the Head of HR, General Counsel and Company Secretary.

6. Consultation

JD Sports and its subsidiaries recognise that human rights are fundamental and allow individuals to lead a dignified and independent life, free from abuse and violations.

We take matters of social responsibility very seriously and foster wellbeing and protection of our employees and those with whom we engage at all levels of the businesses (internally and externally). We endeavour to act responsibly and ethically with all stakeholders, including suppliers, employees, and customers.

We encourage an environment where everyone is considered equal and their health, safety and human rights are protected and promoted. We will not tolerate any abuse or breach of fundamental rights and are committed to ensuring that we, and our suppliers, exceed minimum ethical and labour standards.

We look forward to working closely with our suppliers, employees, and other stakeholders to continuously improve on our modern slavery due diligence program.

This statement has been prepared in full knowledge and cooperation by JD Sports Fashion Holdings Australia Pty Ltd and its subsidiaries after consultation between the reporting entities.

7. Other relevant information

COVID-19

The pandemic caused unprecedented challenges to JD Sports' retail operations including temporary closures of our retail stores and head office.

JD Sports have implemented company-wide measures to protect the health and safety of our staff and customers. Our COVID safe operating protocols include the provision of personal protective equipment (PPE), increased awareness through online training modules and in-store signage and reinforcement of our employee assistance program (including mental health support).

JD Sports continues to work closely with its suppliers to minimise impacts of COVID-19 and ensure continuity of all business during this difficult time.

Approved by the JD Sports Fashion Holdings Australia Pty Ltd Board on: 30 July 2021

Signed by Hilton Seskin on behalf of the Board:



Hilton Seskin
Chairman

JD Sports Fashion Holdings Australia Pty Ltd

