

JD Sports Fashion Holdings Australia Pty Ltd

ABN | 15 614 248 332
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Reporting Entity: JD Sports Fashion Holdings Australia Pty Ltd ABN 15 614 248 332 and JD Sports Fashion Australia Pty Ltd (ABN 63 614 310 075).

MODERN SLAVERY STATEMENT

This modern slavery statement is lodged on behalf of JD Sports Fashion Holdings Australia Pty Ltd (ABN 15 614 248 332) (**JD Sports**) and its wholly owned subsidiary JD Sports Fashion Australia Pty Ltd (ABN 63 614 310 075), which operates the JD Sports retail store network in Australia. This Modern Slavery Statement is a joint statement made in compliance with the reporting requirements in section 14 of the *Modern Slavery Act 2018* (Cth) (**MS Act**).

From humble beginnings in 1981 in Bury, Greater Manchester, United Kingdom, our UK parent company JD Sports Fashion PLC has grown to become a leading multi-channel retailer of the biggest and best global sports fashion apparel, footwear and accessories (branded and own brand).

In 2017, JD Sports was established in the Australian market and has since expanded to over 29 stores across NSW, VIC, QLD, WA and online, employing 1,490 staff members including 100 support and office warehouse staff based in Sydney.

JD Sports' offers consumers exclusive product ranges from its extensive global branded suppliers such as Nike and Adidas, as well as offering its own in-house brands including Supply & Demand, Status and Pink Soda Sports through its own design and manufacturing facilities.

JD Sports recognises 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 business (internally and externally). We endeavour to act responsibly and ethically with all of our stakeholders, including suppliers, employees and customers.

From our support office, warehouse and stores to our extensive supply chain, 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 (including direct and indirect supply of goods and services), exceed minimum ethical and labour standards.

Our Supply Chain

The JD Sports supply chain in Australia has two main sections:

1. The product supply chain that helps JD source its clothing, footwear and accessories for retail sale.

JD Sports' in-house brands are sourced exclusively from the same factories used by JD Sports UK and are subject to the due diligence program undertaken by JD Sports globally in respect of the product supply chain.



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We source from 170 Suppliers Manufacture in 531 factories located in 17 countries. 71.3% production occurs in China, 7.3 % Turkey and 6.2 % In India. The remaining 15.2 % is sourced in other countries.

2. JD Sports Australia utilises goods and services not for resale. This arm of the supply chain includes the rental of retail stores, recruitment and human resources spending, Information and Communications Technology (ICT) including security equipment, services such as marketing and legal, as well as consumables including packaging, carrier bags, hangers and labels for merchandise.

Risks of Modern Slavery

The term modern slavery is used to denote practices defined in the MS Act and include eight types of serious exploitation: servitude, slavery, forced labour, forced marriage, the worst forms of child labour, debt bondage, deceptive recruiting for labour or services and trafficking.

We recognise that modern slavery risks are exacerbated by certain industries, products, labour practices and locations and that the apparel industry is considered to be at particularly high risk. We are committed to ensuring a meticulous and dedicated approach to make certain that modern slavery does not take hold in the supply chain.

We recognise there are also risks of modern slavery to be found in Australia and the primary areas of the supply chain include retail store rental, recruitment and personnel, ICT including security equipment, advertising and marketing, and consumables including packaging, carrier bags, hangers and labels. Many of those who supply these goods and services are based in Australia, but source products from overseas, in particular China. Consequently, similar risks can be found in this part of the supply chain beyond the first tier.

Actions undertaken

JD Sports commits to respecting the dignity of team members as well as their legal entitlements and human rights and will look to develop this to a commitment to suppliers and contractors as a part of modern slavery compliance program. JD Sports *Code of Practice* applies to the business, its managers, and team members already contains commitments to conduct business responsibly in environmental and social terms.

In this first reporting period JD Sports has undertaken a mapping of the supply chain in Australia and abroad so as to gain understanding of the risks in our supply chain. This supply chain mapping exercise will provide the foundation for greater due diligence in future years.

Through engagement between JD Sports and JD Sports UK in the supply chain mapping and risk identification activities, 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. In addition, mapping has been undertaken identifying the locations of warehousing services globally, which in turn has been factored in to the risk assessment. Risk assessments and onsite audits are also part of the on-boarding process for overseas suppliers, and while we are mindful of the potential limitation of audits, they can be helpful in identifying a range of human rights issues that lie within the supply chain.



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The next stage for JD Sports is to analyse where risks remain unaddressed in the supply chain, and then to address these risks by reviewing our governance and management frameworks in order to strengthen and establish policies and procedures that enhance our capacity to identify, assess and address risks of modern slavery in all parts of our supply chain.

These efforts will be supported by champions who will be appointed across the business to take operational responsibility for embedding the updated procedures in operations, as well as to establish modern-slavery focused training and resources for different departments.

We will also develop a rigorous set of supplier minimum standards and engage with suppliers on their application. This will assist us not only to ensure our new suppliers meet our standards and values, but 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.

These activities will assist us, in future periods, to strengthen our modern slavery risk analysis. Our governance and management review and revision will help strengthen policies and procedures that will enhance our capacity to identify, assess and address risks of modern slavery in our supply chain.

Measuring our effectiveness

At the end of our first reporting period and on the basis of our risk identification and assessment activities, JD Sports has committed to continually evolving its modern slavery compliance program as outlined above. In the future we will be able to monitor its effectiveness through measures including:

- regular review of compliance with the supplier minimum standards;
- systematic assessment of how our modern slavery contractual inclusions are being rolled out in procurement;
- review of the effectiveness of our updated policies and procedures on driving internal awareness of modern slavery risk;
- assessment of the effectiveness of our champion-driven training modules for increasing understanding of modern slavery and embedding process changes into our operations;
- working closely with other members of the JD Sports group to gather data about the conditions on the ground in the places where our products are produced;
- establishing a cross-functional Working Group of modern slavery Champions to spearhead the assessment of our modern slavery efforts, and to ensure that we continually improve in each reporting period

Consultation

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

Approved by the JD Sports Fashion Holdings Australia Pty Ltd Board on: 24/11/2020

Signed by Hilton Seskin on behalf of the Board:

