# ANTA Sports Products Ltd.

TICKER MARKET CAPITALIZATION

HKG:2020 US\$16 billion

**HEADQUARTERS** 

China

**DISCLOSURES** 

UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: No

**TARGETS** 

None

**OVERALL RANKING** 

**35** out of **37** 

(2018 Rank: 37 out of 43)

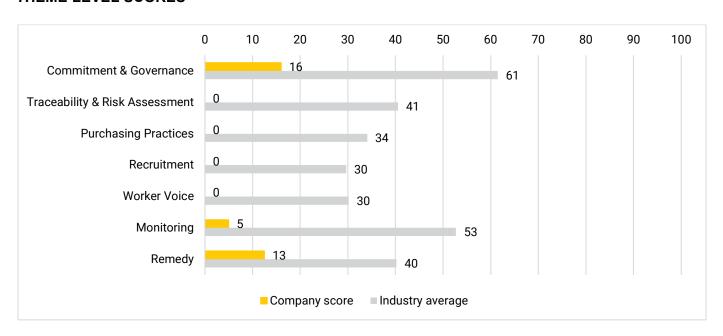
**OVERALL SCORE** 

**5** out of **100** 

## **SUMMARY**

ANTA Sports Products Ltd. (Anta Sports), China's largest sportswear company, <sup>1</sup> ranks 35<sup>th</sup> out of 37 companies and discloses significantly less information on its forced labor policies and practices than its peers. Compared to 2018, Anta Sports improved its score by one point because it began disclosing that it assesses supplier compliance with its code of conduct, which addresses forced labor through monitoring. The company does not disclose the steps it has taken to address the risks of alleged Uyghur forced labor across its supply chain tiers. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on themes such as Commitment & Governance, Traceability & Risk Assessment, and Recruitment.

#### THEME-LEVEL SCORES





## Apparel and Footwear Benchmark

## **COMPANY SCORECARD 2021**

### **KEY DATA POINTS**

**SUPPLIER LIST** 

No

IMPROVEMENTS OF FREEDOM OF ASSOCIATION

No

HIGH-RISK RAW MATERIALS<sup>2</sup>

Cotton and viscose

**DATA ON PURCHASING PRACTICES** 

No

REMEDY FOR SUPPLY CHAIN WORKERS

No

**HIGH-RISK SOURCING COUNTRIES** 

China

#### **LEADING PRACTICES**

None.

#### **NOTABLE FINDINGS**

**Commitment & Governance**: Anta Sports discloses a set of principles with which it requires its suppliers to comply. The principles address forced labor, child labor in accordance with the local minimum age, and discrimination.

**Monitoring Process**: The company discloses that it monitors its suppliers against social criteria in accordance with its supplier principles.

**Corrective Action Plans**: It states that if a supplier fails to resolve non-compliances with its supplier principles, it is given a timeframe in which to improve; otherwise its contract is terminated.

### **OPPORTUNITIES FOR IMPROVEMENT**

**Commitment & Governance**: Anta Sports is encouraged to establish responsibilities and accountability for the implementation of its supply chain policies that address forced labor and train internal staff and suppliers on this standard. It is encouraged to engage with relevant stakeholders on forced labor (e.g., policy makers, worker rights organizations, or local NGOs) in countries in which its suppliers operate. It is also encouraged to participate actively in one or more pertinent multi-stakeholder or industry initiatives.

**Traceability & Risk Assessment**: To demonstrate a strong understanding of its supply chains, Anta Sports may consider disclosing the names and addresses of at least its first-tier suppliers, information on its below-first-tier suppliers, the countries from which it sources raw materials at high risk of forced labor, and several data points on its suppliers' workforce. The company is further encouraged to assess forced labor risks across its supply chains and disclose the risks identified.

**Recruitment**: To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company is encouraged to take steps to ensure that workers in its supply chains are not charged fees during any recruitment-related process. It may further consider taking steps to ensure that such fees are reimbursed to the workers and/or provide evidence of payment of recruitment-related fees by suppliers. It is also encouraged to take steps to ensure that the rights of workers in vulnerable conditions, such as women or migrant workers, are respected (e.g., to verify workers' passports and other personal documents are not retained).



## Apparel and Footwear Benchmark

## **COMPANY SCORECARD 2021**

## **ENGAGED WITH KNOWTHECHAIN<sup>3</sup>**

Informal (i.e., responsive to KnowTheChain but did not take part in the formal engagement/disclosure process).

<sup>&</sup>lt;sup>1</sup> ISPO (5 July 2019), "China's Largest Sports Brand Is Anta Sports."

<sup>&</sup>lt;sup>2</sup> For further details on high-risk raw materials and sourcing countries, see <u>KnowTheChain's 2021 Apparel and Footwear Benchmark Report</u>.

<sup>&</sup>lt;sup>3</sup> Research conducted through November 2020 or through February 2021, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the <u>Business & Human Rights Resource Centre website</u>.