# JD Sports Fashion plc (JD Sports)

TICKER LON:JD **MARKET CAPITALISATION** 

US\$10.41 billion

**HEADQUARTERS** 

United Kingdom

**DISCLOSURES** 

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: No

Australia Modern Slavery
Act: Yes (Disclosure of

Subsidiary)

**OVERALL RANKING** 

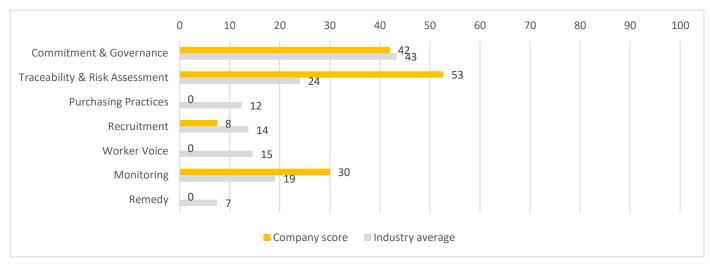
24 out of 65

2021 Performance

**OVERALL SCORE** 

23 out of 100

#### THEME-LEVEL SCORES



#### **KEY DATA POINTS**

# FIRST-TIER SUPPLIER LIST

Yes

#### **RISK ASSESSMENT**

Yes

## **DATA ON PURCHASING PRACTICES**

No

#### **ENGAGED WITH KNOWTHECHAIN<sup>2</sup>**

■ No

#### **NO-FEE POLICY**

Yes (Employer Pays Principle)

#### REMEDY FOR SUPPLY CHAIN WORKERS

No

## HIGH-RISK RAW MATERIALS<sup>1</sup>

Bamboo, cotton



# Apparel & Footwear Benchmark COMPANY SCORECARD 2023

#### **SUMMARY**

JD Sports Fashion plc (JD Sports), UK's biggest sportswear retailer,<sup>3</sup> ranks joint 24<sup>th</sup> out of 65 companies. Since 2021, the company improved on the theme of Traceability & Risk Assessment, disclosing a supplier list of the names and addresses of all first- and second-tier suppliers and some third- and fourth-tier suppliers. Notably, the company is one of only 9% of benchmarked companies to disclose at least partial information on its third- and fourth-tier suppliers. It scores higher than average on the themes of Traceability & Risk Assessment and Monitoring, and lower than average on all remaining themes. The company is encouraged to improve its performance and disclosure on themes such as Recruitment, Worker Voice, and Remedy.

#### **LEADING PRACTICES**

**Traceability and Supply Chain Transparency**: JD Sports discloses a supplier list covering first, second, third, and fourth tiers of its supply chains, including supplier names and addresses. The list also includes data on the number of male and female workers at first-tier facilities.

#### OPPORTUNITIES FOR IMPROVEMENT

**Recruitment**: The company's Ethical Code of Practice includes the Employer Pays Principle, stating the cost of the recruitment should be borne not by the worker, but by the employer. The company is encouraged to disclose how it ensures the implementation of this through the prevention of fees in its supply chains, such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. It may also consider steps to ensure that such fees are reimbursed to the workers and/or to provide evidence of payment of recruitment-related fees by suppliers.

**Worker Voice**: While the company references the use of the UK-based Unseen hotline, the company is encouraged to ensure that a formal mechanism to report grievances regarding labour conditions in the company's supply chains is available and communicated to its suppliers' workers and relevant stakeholders (e.g. worker organisations or labour NGOs). Further, the company may consider disclosing data about the practical operation of the mechanism, such as the number of grievances filed, addressed, and resolved. To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains.

**Remedy**: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

<sup>1</sup> For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark findings report.

<sup>&</sup>lt;sup>2</sup> Research conducted through June 2023 or through September 2023, 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 Business & Human Rights Resource Centre <u>website</u>.

Reuters (23 September 2022), "UK's JD Sports cautious on outlook as cost pressures weigh." Accessed 28 November 2023.