




JD Sports Fashion PLC

Code of Practice Auditing standards

This is not an exhaustive list and is to be used as a guide to be referenced to the site during the visit.





Audit Scope- The JD Sports code of conduct defines labour standards that aim to achieve decent and human working conditions the codes are based on the international Labour Organization standards and internationally accepted good labour practices.

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

Health, Safety and Environment - Employers 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 operation of employers' facilities. Employers shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.

Child Labour - No person shall be employed under the age of 15, or under the age for completion of compulsory education, whichever is higher.

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. Employers 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.

Hours of Work -Employers shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Employers shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Employers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

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.

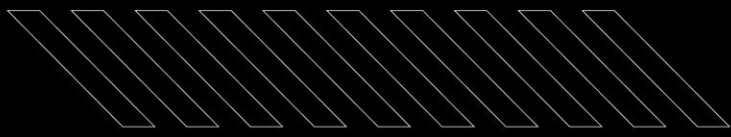
Employment Relationship- Employers shall adopt and adhere to rules and conditions of employment that respect workers and, as a minimum safeguard their rights under national and international labour and social security laws and regulations.

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

Freedom of Association and Collective Bargaining- Employers shall recognise and respect the right of employees to freedom of association and collective bargaining.

Our priority is to support factories in resolving issues wherever we can, to bring them up to our standards rather than terminate the relationship, this delivers better outcomes for the workers, however we will not continue the relationship if there is no willingness on their part to address the issues and improve.





Forced Labour

Health, Safety & Environment

Child Labour Should not be used

Compensation

Hours of Work

Non-Discrimination

Employment Relationship

Harassment or Abuse

Freedom of Association

- JD will not tolerate any form of modern slavery , human trafficking, forced labour, bonded or involuntary prison labour.
- Employees shall be free to leave manufacturing site or residential facilities at any time.
- No workers shall pay a fee or deposit to secure a job/ training/personal protective equipment.
- No workers shall be forced to work through mental or physical threat.
- Loans Provided by employer to an employee shall be subject to a written agreement between both parties with clear repayment terms and always at affordable and realistic repayment rate

Critical

- ****Evidence of Modern Slavery**
- ****Unreasonable restriction on resignations****
- ****Unreasonable restrictions on access to doctor or medical/ assistance during working hours****
- ****Prison Labour- unverified convictions****
- Restrictions of movement
- Fees for employment
- Retention of identity documents
- Financial penalties for leaving

Major

- Loans provided at unaffordable repayment rates or without written agreement between employer and employee
- Unreasonable notice requirements
- Workers providing own uniform/tools

Minor

- No worker recruitment processes and procedures to ensure compliance with laws in country
- No forced labour policies/ posters





- Forced Labour
- Health, Safety & Environment**
- Child Labour Should not be used
- Compensation
- Hours of Work
- Non-Discrimination
- Employment Relationship
- Harassment or Abuse
- Freedom of Association

- The workplace must be safe, clean and of sound structure.
- Clean drinking water must be provided free of charge, readily accessible at any time and must not be restricted to break time s.
- The workplace and all access staircases must be well ventilated and illuminated.
- Employees must be protected from extreme temperatures.
- Workers shall be protected from hazardous working conditions. Unsafe wiring/cables, dangerous storage conditions of material and chemicals.

Critical

- ****Extremely hazardous working condition ****
- ****Premises not structurally safe****
- ****Fire alarm system not fitted throughout entire facility (fire alarms missing) or fire alarms not working or not accessible****
- No Fire safety equipment
- ****Children in factory production area****
- Extremely Poor Hygiene posing risk to health


Major

- No Valid Fire certificate for production or dormitory building by law
- Access to fire extinguishers/hoses blocked
- Doors incorrectly marked as exit
- Electrician not certified
- No protection from extreme temperatures
- Workplace injury insurance coverage less than 100%

Minor

- Emergency evacuation route not marked on floor, or the route marks have faded
- Exit fitted with sliding/rolling doors
- Firefighting equipment placed directly in the floor
- Isolated instances of blocked extinguishers/hose
- Temporarily blocked aisles
- Inadequate lighting and/or ventilation
- Insufficient toilet or washing facilities





Health, safety & Environment - Continued

Critical

- Use of banned substances
- **Air quality reports show high levels of pollutants**
- **Area of dormitory building used for production and/ or storage**
- Production (or material warehouse) and worker dormitory building attached
- **Chemicals stored in dangerous environment**
- **Insufficient unblocked/unlocked emergency exits**
- Unsuitable exit (i.e step to high, flammable material used, no seal etc)
- **Restricted liberty in dormitories including unreasonable curfews/ dormitory rooms are locked from the outside at night**
- Exits locked or fully blocked
- Extremely poor delivery, storage, labelling, handling, transportation or disposal of hazardous chemicals/substances.

Major

- Other medical examinations not carried out where required by law
- No or major lack of PPE provided
- No member of management responsible for health and safety
- No documented evacuation Plan
- There are no Trained first aid personnel
- No first boxes /kits available
- Chemicals are not Stored in separate, good ventilation and controlled area
- PPE not provided to workers
- No washing facilities in chemical storage or usage areas such as eye wash or dousing showers
- Hazardous warning Signage not displayed in relevant areas e.g. high voltage/ extreme temperature
- Room/section/storage/ pallet missed out of risk assessment.
- Risk assessment carried out by untrained individuals
- Emergency exit door opening inwards

- Inadequate hygiene in food storage and preparation areas
- Accident and injuries are not recorded
- No general health and safety training for workers inclusive of fire training
- Exit not fitted with light box
- No emergency evacuation plan posted
- Machinery not fitted with safety features (needle guards, pulley guards, rubber mats etc)
- Chemical containers in poor quality
- Chemicals not clearly labelled
- Inadequate first aiders/records
- No PPE Signage
- Workers not wearing PPE when issued
- No visible MSDS
- Inadequate first aid supplies
- No childcare facilities provided where legally required
- Poor house keeping, cluttered working area
- No hot water in bathroom & accommodation
- Workers not provided with secure and adequate personal storage (Accommodation)
- Machinery is not periodically checked and certified for use by authorised body
- No sign out procedure during working hours



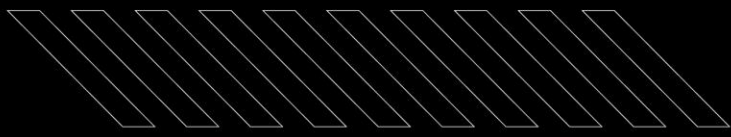
Health, safety & Environment - Continued

Critical

Major

- Fire alarm not connected to the backup power supply
- Inadequate number of exits based on size of building/workforce
- Fire drills not carried out every 6 Months
- Expired certificates on all fire extinguishers
- Where legally required, automatic sprinkler system not installed throughout premises
- Where legally required, smoke detectors are not installed throughout premises
- Electricity main supply obstructed, no warning signs, poorly maintained, not guarded for unauthorised access health and safety training is not regularly reviewed within 12 months, monitored or refreshed
- Gap between stacks in the warehouse and walls was 0 meter, which was less than the legal requirement of 0.5 meter. Or not securely attached to the floor.
- Insufficient evacuation records (i.e. no fire register, no list of workers on site when conducted etc)
- Obstructions around gas and electricity installations

Minor



- Forced Labour
- Health, Safety & Environment
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- Employers shall develop a system to verify the ages of new employees including checking original identity documents and cross-referencing with employee’s photograph.
- Employers shall develop a system to prevent borrowed identity documents including spot-checking the availability of the identity documents of existing employees periodically.
- Copies of age records shall be retained in the workplace
- Where young workers are employed in factories (for example aged 15-18) you must also comply with the relevant legal requirements for the region/country your factories are located in. These may include carrying out health and safety risk assessments for young people, restricting working hours and to have the relevant contracts and permissions drafted and implemented

Zero tolerance

- ****Child labour under 15 years OR legal minimum age.****
- Young workers are requested to work night shift or extending work at night after 10PM

Major

- The annual Leave provided for young workers was less than the statutory amount
- The factory does not have a child labour policy
- The factory does not have a written age verification process
- The working hours exceed the legal limit
- Young workers not provided with adequate number/length of breaks
- Young workers are not registered with relevant authority

Minor

- Contracts for young workers not signed by parent or legal guardian, where required by law.
- Isolated instances of missing age verification
- Policy considered inadequate on restrictions/breaks or hours.





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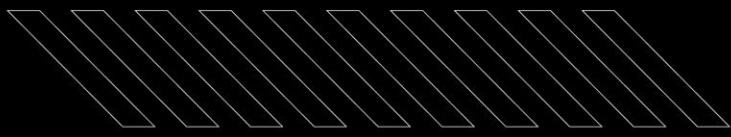
- Employee wages for a standard working week should meet or exceed national legal standards or the industry benchmark standards, whichever is higher and be at least sufficient to meet basic needs and provide some discretionary income
- Wages shall be paid at least monthly directly to the employee
- The employer shall provide a written and understandable wage calculation
- Employer to provide and maintain accurate and reliable records
- Workers shall be paid in legal tender
- Contributions shall be made according to government legislation, e.g. social security

- ### Critical
- ****Non-payment of legal minimum wage****
 - ****Evidence of deliberate falsification of wage records****
 - Persistent delayed wages
 - Failure to pay legally required overtime payment
 - Illegal fines or monetary penalties used as a form of disciplinary action affecting the basic wage
 - No pay records for any sampled months
 - ****Piece rate earning less than minimum****
 - Varying pay dates
 - Bank details evidenced/ on record do not match the bank wages are paid into

- ### Major
- Probation period did not follow legal requirement
 - Workers do not receive legally entitled benefits such as allowances, holiday pay and annual leave
 - Failure to pay legally required overtime premium
 - Legally required contribution not paid
 - No payment for re-work
 - Workers not issued with wage slips
 - Holiday pay is at basic rate despite higher salary for worker
 - Bank details are not retained on management system
 - Management systems cannot demonstrate how they accurately accrue paid holiday entitlement

- ### Minor
- Failure to pay overtime premium where required by Code of Conduct (but not required by law)
 - Workers unaware of pay rates and deductions
 - Non-fixed employees holiday rate, is not calculated by the previous 52 week average
 - Workers unable to access a system to review the actual amount of holiday pay to which they are entitled at any point in time





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- An employee’s working hours, excluding overtime, shall be defined by contract and shall not exceed 48 hours per week. Working hours must comply with national laws and collective agreements, whichever affords the greater protection for workers.
- The employer shall have a system in place to record all employees working time accurately including piece rate/hourly/monthly paid
- Workers shall be provided with at least one day of in 7-day period, where allowed by national law two days off in every 14 period
- Working hours shall not exceed 60 hours in a week only in exceptional circumstances where the appropriate safeguards are taken to protect the worker’s health and safety
- Any overtime shall be voluntary
- Every employee shall be entitled to a period of paid holiday leave each year which is in line with local legislation
- Rest breaks shall not be shorter than the legal requirement

Critical

- ****Compulsory overtime or workers who refuse overtime are penalised****
- Rest breaks are not allowed
- ****Evidence of deliberate falsification of working hours and wage record****
- ****Excessive Overtime hours worked consistently > 100 per month****
- Worker are not allowed to take entitled leave

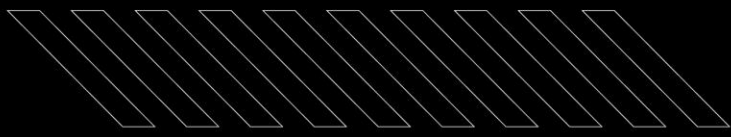
Major

- Overtime hours per month are above the local law allowance < 100
- Inadequate number/length of breaks based on hour worked
- No one day off in a sampled month
- Working hours are above 60 hours per week

Minor

- Working hours exceed legal limits but less than 60 hours per week
- No one day off in seven or 2 of within 14 days where





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- The employment practices and policies of the workplace shall afford all employees equality of treatment and shall be clearly communicated to workers. Decisions or practices which are based on unfair discriminatory grounds, rather than on merit, will not be acceptable
- Employers are expected to adopt and adhere to a fair disciplinary procedure. No employee should face, be threatened with, or receive disciplinary action or dismissal on grounds of discrimination. Similarly, no employee should be unfairly selected for redundancy or lay-off.
- Discrimination in any form, based on race, colour, language, nationality, ethnic or social origin, religious belief, political opinion, gender, marital status, pregnancy, disability, property, birth, age, sexual orientation, union membership or any other reason shall not be practised

Critical

- ****Evidence of discrimination based on race, gender, religion, ethnicity****
- ****Mandatory pregnancy testing except when required by law****
- ****Unfair dismissal ****
- ****Abuse of vulnerable workers****
- ****Evidence of discriminatory practices in relation to wages & benefits and employment terms****

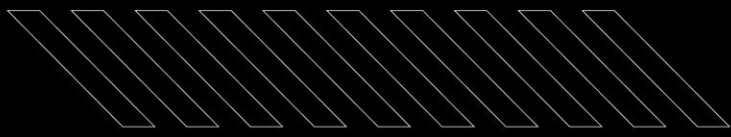
Major

- No Policy on discrimination
- Discrimination against code of conduct i.e. age/ethnic or social origin.
- Workers returning for maternity leave not given equivalent position and pay

Minor

- Discrimination Policy and employment practices not clearly communicated to workers
- Unclear discrimination policy





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- Wherever reasonably practical all workers should enjoy security and stability of employment and regularity of income. Employees shall not be required to give or serve unreasonable notice to their employer, should they wish to leave their employment.
- The employer shall provide documentation detailing working hours, work days, rest days, notice period, entitlement to leave and other benefits, that the employees can refer to at any time. The contents of the document shall also be communicated to the employees.
- The employer shall verify that all employees have a valid work permit/proof of legal right to work and this verification process shall be documented.

Critical

- Workers are required to sign blank papers.
- ****Workers regular dismissed and rehired to avoid legal obligations under labour and security laws****
- ****Systematic non-payment or non-registering of workers for the purpose of avoidance of payment of social security or other benefits****
- Subcontractors not declared or recorded


Major

- Absence of contracts/ employment letter
- Contract terms indicate that overtime is mandatory
- Illegal/unreasonable factory rules/regulations
- Probation period exceed legal requirement
- Workers don't receive a clear and understandable copy of their contracts
- Absence of contracts/ handbooks/ employment letter.

Minor

- The factory have not communicated the code of practice requirements to their approved subcontractor
- No evidence both parties retained signed copies of handbook/ contract
- Sufficient time had not been allowed to take advise on the contract before signing and returning copy
- Contracts all dated the same/ no start date
- P60's/P45's not issued





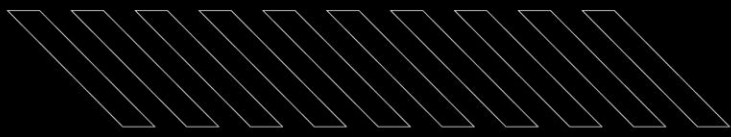
Employment Relationship - Continued

Critical

Major

- Incorrect statements or information in contract how legal benefits are calculated/obtained (i.e. breaks, holidays etc)
- No formalised process in place for sound commercial procurement practices
- There is no formal control (policy) to the appointment or due diligence of suppliers, subcontractors, service providers, labour providers and homeworkers.
- No production management records
- Non-payment of business taxes

Minor



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- Corporal punishment, physical, mental or verbal abuse, sexual harassment or other forms of intimidation, harsh, or inhumane treatment shall not be allowed.
- Senior employees shall not ask for or accept bribes from workers either for preferential treatment, or to avoid victimisation.
- The employer shall protect their employees from bullying, verbal or physical harassment (including unreasonable body searches), victimisation, discrimination or physical abuse in the workplace, whether from management, from their colleagues or from members of the public.
- The employer shall develop written grievance and disciplinary procedures for the workplace and communicate these to the employees.
- A fair disciplinary and grievance procedure shall be established and adhered to in all cases of alleged employee misconduct or unsatisfactory performance.
- All disciplinary and or grievance measures must be recorded.
- An appeal channel shall be developed and implemented for employees facing disciplinary action.

Critical

- **Physical punishment, sexual harassment, extreme verbal abuse, **
- **intrusive searches**
- **clear evidence of managers/supervisors asking for or taking bribes including sexual favours from workers for preferential treatment or to avoid victimisation.**

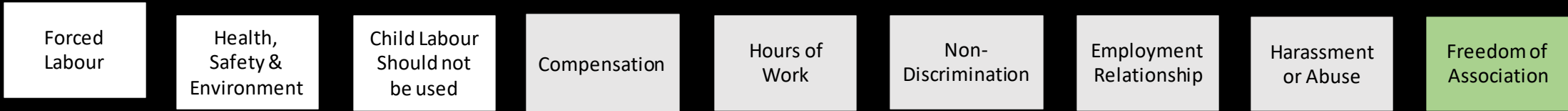
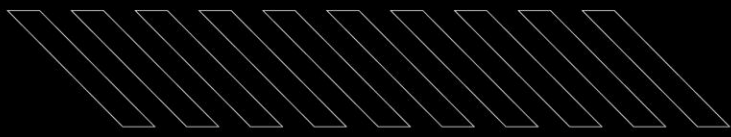
Major

- Factory regulations against local laws, or not endorsed by local applicable authority as by law
- No sexual health committee where required by law
- No formal written rules, disciplinary or grievance procedure(s).
- Failure to implement disciplinary action against supervisors/managers or fellow workers who abuse or behave inappropriately towards employees.
- Workers unaware of disciplinary procedures
- Limited procedures to prevent/educate/train management, operation staff, workers from engaging in bullying or abuse

Minor

- Incomplete disciplinary action records





- Employers shall respect lawful freedom of association. Employees shall be free and able to exercise their rights to organise and bargain collectively in the workplace and at industry and national levels
- The Employer shall adopt an open attitude towards the organizational activities of trade unions. There should be open communication channels between Employers and Employees regarding conditions without threat of reprisal, intimidation or harassment.
- Where local laws restrict freedom of association and trade unions, Employers will allow workers to form worker groups/committees, if they so choose. There must not be an unequal representation of management to workers within these groups/committees. There shall be an equal representation of male and female workers within these groups/committees.
- The Employer shall ensure that any Employee representatives are not discriminated against and have freedom to carry out their representative functions in the workplace. Employee representatives should have access to facilities such as meeting rooms so they can carry out their role, as well as appropriate time off for representatives' activities without loss of pay or benefits
- In accordance with local legislation, elections for Employee representatives shall be held regularly and the identities of the chosen representatives communicated to all Employees.

Critical

- ****Deliberate dismissal or discrimination of union members or representatives****
- Anti-union clauses in employment contracts

Major

- No worker committee where it is a legal requirement.
- Interference by factory management in the decision making or election process of workers committee representatives.
- Union or worker representatives are not permitted any facilities /sufficient time to carry out their duties, within reason
- Worker representatives are not democratically elected
- No incorrect grievance procedure in place

Minor

- Workers are not aware of who their worker representatives are
- Elections for worker representatives are not held regularly.
- No policy and/or communication to workforce of their right to freedom of association and bargain collectively
- Unequal representation of management to workers or male / female workers.
- Site has grievance policy but no channels where workers can report anomalously/ partial grievance

