



Policy on Responsible Recruitment

(including the fair treatment of migrant workers)

This document outlines the requirements for the responsible recruitment and fair treatment of migrant workers in our supply chain. It draws on the guidance previously published in our Guidelines on Employment Standards in 2010.

In 2016 we launched our modern slavery outreach program to intensify our efforts on potential risks in the upstream supply chain, looking beyond our Tier 1 suppliers, to drive greater transparency in the extended supply chain. As we embarked on this program, it became increasingly apparent that one of the greatest drivers of modern slavery, permeating all economic sectors was the exploitation of migrant workers occurring at the hands of unscrupulous recruitment agencies and/or labor brokers.

The Governing Body of the International Labour (ILO) Organization, in its 2014 Recommendations of Supplementary Measures for the Effective Suppression of Forced Labor, calls out the corporate responsibility of *“protecting persons, particularly migrant workers, from possible abusive and fraudulent practices during the recruitment and placement process”* in combating forced labor. Additionally, in 2016 the Governing Body issued general principles and operational guidelines for fair recruitment stating that companies and public employment services should include *“human rights due diligence assessments of recruitment procedures and should address adverse human rights impacts with which they are involved.”*

At adidas we are committed to eliminating the practice of migrant workers paying recruitment costs and fees to secure their employment. We support the [Dhaka Principles for Migration with Dignity](#) to enhance respect for the rights of migrant workers from the moment of recruitment, during employment and through to further employment or safe return.

In October 2018 we pledged our support to the joint American Apparel & Footwear Association (AAFA) and FLA industry pledge, committing to working with our suppliers to ensure:

1. No worker pays for their job or right to work;
2. Workers retain control of their travel documents and have full freedom of movement; and
3. All workers are informed of the basic terms of their employment before leaving home.

Our Responsible Recruitment Guiding Principles align with the ILO’s general principles for fair recruitment:

- **Human Rights:** Recruitment should take place in a way that respects, protects and fulfills internationally recognized human rights, including those expressed in international labor standards, and in particular the right to freedom of association and collective bargaining, and prevention and elimination of forced labor, child labor and discrimination in respect of employment and occupation.
- **Recruitment agencies:** In the absence of direct recruitment, workers must be hired through ethically compliant labor brokers and recruitment agencies. Suppliers must have a formal policy

and due-diligence process in place for vetting recruitment agencies responsible for the labor supply.

- **Fees:** No recruitment fees or related costs should be charged to, or otherwise borne by, workers. A clear definition on the types of fees and costs can be found in our Migrant Labor chapter of the Guidelines on Employment Standards.
- **Contracts:** The terms and conditions of employment should be through written contracts in accordance with national laws, regulations, employment contracts and applicable collective agreements. They should be clear and transparent, and in a language that the worker can understand. Workers' agreements to the terms and conditions of recruitment and employment should be voluntary and free from deception or coercion.
- **Access:** Freedom of workers to move within a country or to leave a country should be respected. Workers' identity documents such as passports, land title deeds, diplomas, employment contracts and so on should not be confiscated, destroyed or retained.
- **Grievance Mechanisms:** Workers should have access to free or affordable grievance and other dispute resolution mechanisms without fear of recrimination or dismissal, and effective and appropriate remedies where abuse has occurred.
- **Return:** At the end of the contract, and where there is no extension, in the absence of any other contractual or legal obligation, the factory covers the costs of the migrant workers' return home.
- At all times workers should have access to free, comprehensive and accurate information regarding their rights and the safe and healthy working and living conditions of their employment.

ZERO TOLERANCE

- × Situations of forced labor - using coercion or fraud to hire and retain workers - or any involvement in acts of trafficking in humans can have serious consequences for a supplier. For adidas these are Zero Tolerance issues which will result in the immediate termination of the business relationship.
- × In many countries trafficking in labor is a criminal offence. Harsh penalties may apply, including substantial fines and a lengthy prison sentence for directors and business owners.

For detailed guidance on the responsible recruitment and fair treatment of migrant workers please refer to our Guidelines on Employment Standards.