Private Label

Environmental Performance Evaluation (EPE)

Policy, Standards & Results: September 2024

Improving Supply Chain Environmental Performance through:

1. **Embracing Environmental Social Governance (ESG) goals**
2. **Change analysis to improve methodology**
3. **Practical application of our EPE**
4. **Measuring & refining our approach**

Environmental Management Programme

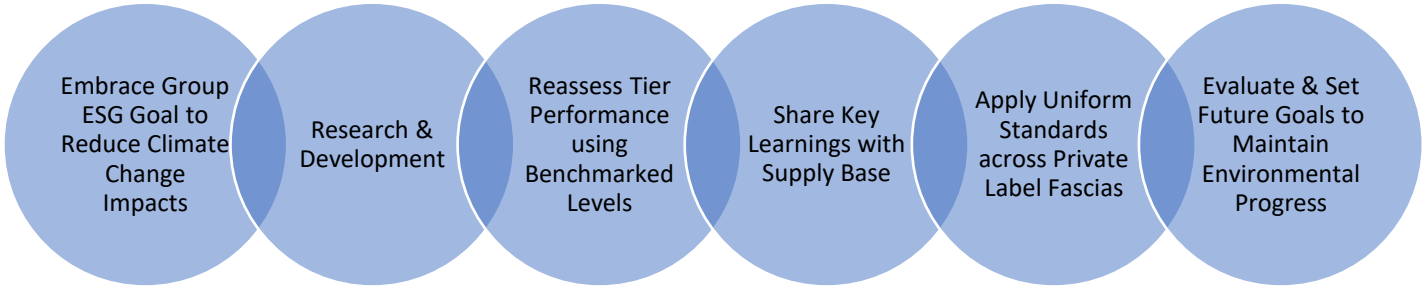
Private Label Approach

Private Label's Environmental Management Programme (EMP) embraces the JD Group ESG goal of *promoting sustainable sourcing strategies to reduce climate change impacts*. The EMP assesses *energy efficiency*, *stewardship of water* and *safe chemical management* in our supplier's tier facilities. As well as measuring compliance of Group minimum standards, it enables us to monitor sustainable practices and track annual environmental performance and progress across our supply chain.

Our approach has identified wet processing as an especially resource-heavy function of our Scope 3 production, so by focusing on the monitoring of dye houses, we can make the most impactful intervention to minimise carbon emissions and waste.

Our reporting is based on data from our *Environmental Management Fact Sheets*, completed by each tier facility within our supply base. Our assessment measures sustainable certifications held, as well as giving us visibility of the production practices being used within facilities. Through benchmarking these wet processes – from *conventional* to *less environmentally impactful* – we have been able to evaluate facilities' management of chemical, energy and water resources, and assign a grade to each – from *Underperforming* to *Leading*.

This blueprint – of conducting rigorous research to understand the practical application of processes on the factory floor – can be adapted for future EMP Cycles, to gain an increased understanding of our (spinning and fabric) mill houses, allowing us to further improve environmental performance deeper into our Scope 3 supply tiers.



CLEANER IN PRODUCTION

CIP

Grading Methodology

Based on the standards and processes that facilities evidenced, we awarded points for water, energy and chemical management, identifying if facilities are low, medium, high or exceptional achievers in environmental sustainability.

BRONZE

Demonstrates a low level of environmental sustainability.

SILVER

Demonstrates a medium level of achievement in and commitment to environmental sustainability.

GOLD

Demonstrates a high level of achievement in and collaboration on environmental sustainability.

PLATINUM

Demonstrates exceptional environmental leadership, with continual growth and development of sustainable initiatives.

*Based on how facilities performed in chemical, water and energy management, each was awarded an **overall score**:*

UNDERPERFORMING

An UNDERPERFORMING facility has provided minimal evidence of lower impact processes or certifications for chemical, water and energy management. These facilities do not meet the JD Group's minimum requirements for environmental compliance.

AT LEVEL

An AT LEVEL facility evidences a basic level of environmental compliance across chemical, water and energy management. The facility can improve in all areas by exploring further actions to increase their overall level of sustainability.

GOOD

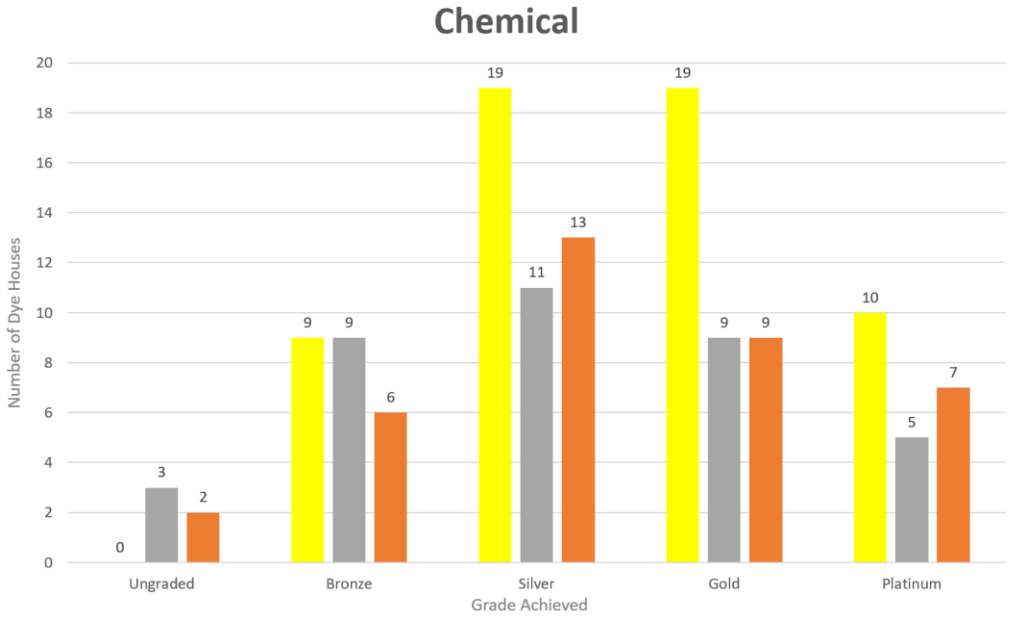
A GOOD facility evidences a significant level of environmental compliance across chemical, water and energy management. There are additional areas where the facility can explore further to improve their overall level of sustainability.

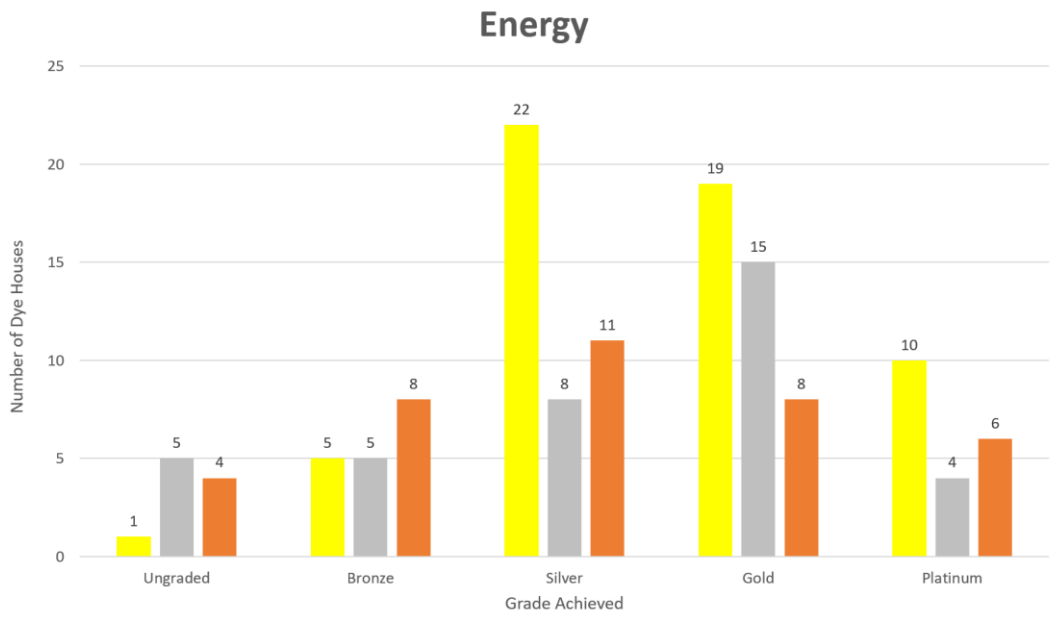
LEADING

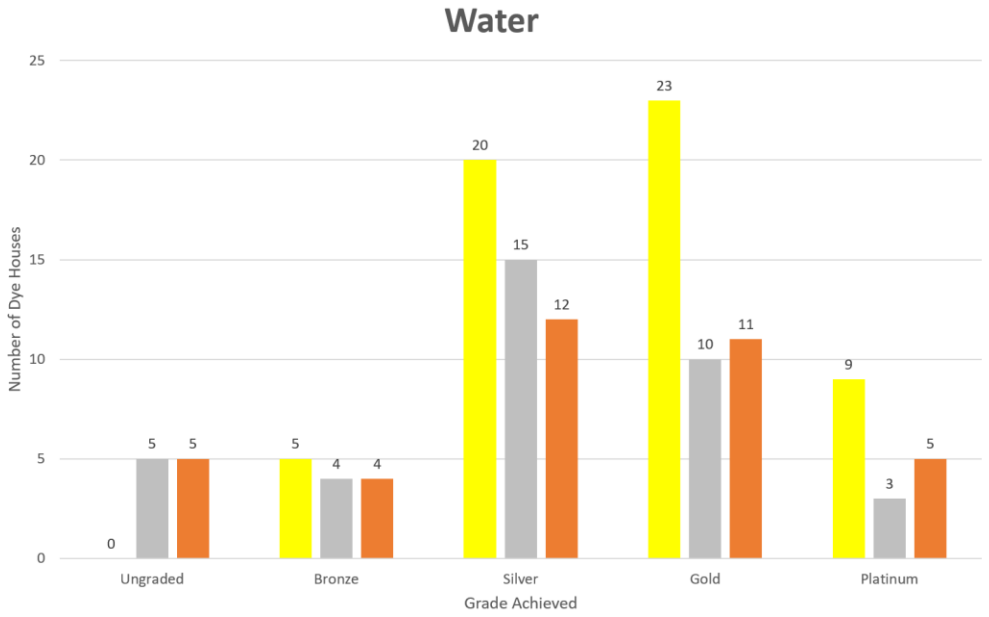
A LEADING facility evidences a high level of environmental compliance across chemical, water and energy management. These facilities are leaders in environmental processes and sustainable initiatives.

Environmental Management Performance

Grading Application







= JD Sports
= Outdoor
= Sprinter

Dye House Environmental League Table: JD Sports

LEADING						
Position	Dye House	Chemical	Energy	Water	Total	Overall
1	KPM Processing Mill Pvt Ltd.	40	39	39	118	12
2	Mayteks Orme San. Tic. A.S	28	42	27	97	
	Soorty Enterprises Pvt Ltd (Denim Unit 08)	31	37	29		
4	Jiaxing Qinglian Textile Printing and Dyeing Co., Ltd.	38	29	28	95	
5	Ningbo Giant Eagle Gecom Knitting Co., Ltd.	24	32	36	92	11
6	Jinjiang Wanxinglong Dyeing and Finishing Industrial Co., Ltd.	27	34	25	86	
7	Danavarshini Exports Private Limited (Processing)	20	32	32	84	
8	SCM Textile Processing Mills	24	27	31	82	
9	Kalemdar Tekstil	27	27	26	80	
10	Henateks Boya Apre Tekstil A.Ş.	32	26	25	83	10
11	Eurotex Tekstil	32	17	32	81	
12	Style Textile (Pvt.) Limited - SAP	32	22	25	79	
13	US & Dynamo Mills (Private) Limited	26	23	29	78	
14	Shenghong Group Boutique Fabric Workshop	20	30	26	76	
15	Jiafu (Fujian) Dyeing and Finishing Co., Ltd.	29	23	19	71	

GOOD						
16	Zhejiang Jiananda Textile Technology Co., Ltd.	25	23	26	74	9
17	Shandong Hengtai Textile Co., Ltd	25	21	23	69	
18	Yancheng Huanmei Weaving & Dyeing Co., Ltd.	22	20	23	65	
	Siddiqsons Limited	22	23	20		
20	Meko Denim Mills (Pvt) Ltd.	24	19	21	64	
	Iskur Boya Tekstil Tic. ve San. A.S	22	20	22		
22	Master Textile Mills	24	19	19	62	
23	Nantong DongYi Fiber Tech Co., Ltd.	26	17	19	62	8
24	Quanzhou Liu Yuan Dyeing & Weaving Co., Ltd.	21	23	16	60	
25	SRG Apparels	21	16	21	58	
26	Nantong Hymo Textile Technology Co., Ltd.	15	20	20	55	
27	Suzhou Mingde Textile Co., Ltd.	17	19	18	54	
28	New Gimatex	13	20	20	53	
	Kohinoor Mills Ltd.	18	17	18		
30	Soft Tex Processing	18	12	22	52	
	Eren Perakende Ve Tekstil A.Ş.	18	24	10		
32	Ashford Mills (Zhangzhou) Co., Ltd.	13	19	18	50	
	Anshan Wanlong Textile Co., Ltd.	12	18	20		
34	Tex Asia Ltd.	20	15	16	51	7
35	Suzhou Kebo P&D Co., Ltd.	14	20	16	50	

AT LEVEL						
Position	Dye House	Chemical	Energy	Water	Total	Overall
36	Shaoxing Huaxing Silk Printing and Dyeing Co., Ltd.	13	17	17	47	6
37	Lucky Process	15	8	22	45	
	Wujiang Shenghong Group	16	17	12		
	GT Process	15	13	17		
40	Akarteks Tiekstil San. ve Tic. A.S. (Tokat Branch)	14	14	15	43	
41	Trend Kuru Temizleme Tekstil Ürünleri Geliştirme Sanayi Ve Ticaret A.Ş.	14	12	11	37	
42	Fujian Fynex Textile Science & Technology Co., Ltd.	12	13	9	34	
43	Wuhu Fuchun Dye & Weave Co., Ltd.	12	10	11	33	
	Brindhaa Processing Mill	9	14	10		
	Jiaxing Jiasheng Printing & Dyeing Co., Ltd.	9	13	11		
46	Embee International Industries	11	9	12	32	
47	Ningbo Kundi Knitting Co Ltd.	9	10	9	28	
48	Ningbo Eagle Star Knitting Textile Co. Ltd.	7	13	12	32	5
49	Zhejiang Texwell Textile	8	9	14	31	
50	Sri SubramaniyamTex Colours Unit-II	9	7	11	27	
51	Wuxi Sintex Printing & Dyeing	6	9	10	25	
52	Azad Rifat Fibres (Pvt.) Ltd.	8	6	9	23	
53	Akhan Tekstil Sanayi ve Ticaret A.S.	7	10	5	22	4
54	Zhejiang Hengxiang Textile Co., Ltd.	7	9	3	19	

UNDERPERFORMING						
55	Zhejiang Jiucailong Dyeing Technology Co., Ltd.	5	5	6	16	3
56	Bao Yi Weaving Printing & Dyeing Co., Ltd.	4	4	7	15	
57	Alper Moda Tekstil San ve. Tic. Ltd. Sti	5	1	4	10	2

JD Group

Dye House Environmental League Table: JD Outdoor

LEADING						
Position	Dye House	Chemical	Energy	Water	Total	Overall
1	KPM Processing Mill Pvt Ltd.	40	39	39	118	
2	Shandong Hengli Textile Technology Co., Ltd.	29	38	29	96	12
3	Lingfeng Dyeing & Weaving Co., Ltd. Shishi	35	27	33	95	
4	Jinjiang Wanxinglong Dyeing and Finishing Industrial Co., Ltd.	27	34	25	86	11
5	Shenghong Group Co., Ltd.	29	26	26	81	10

GOOD						
6	Shandong Hengtai Textile Co., Ltd	25	21	23	69	
7	Di Dong Il Corp. Siwha Mill	21	22	24	67	
8	Zhejiang Yuejia Printing and Dyeing Co., Ltd.	25	18	22	65	9
9	Zong Sine Textile Ind. Ltd.	22	24	18	64	
10	Fujian Honggang Textile Technology Co., Ltd.	21	21	18	60	
11	Nantong DongYi Fiber Tech Co., Ltd.	26	17	19	62	
12	Quanzhou Liu Yuan Dyeing & Weaving Co., Ltd.	21	23	16	60	
13	Abir Fashions	14	21	24	59	
14	Wujiang City Xinda Printing and Dyeing Factory	23	19	15	57	8
15	Shishi Haobao Dyeing and Weaving Co., Ltd.	19	22	12	53	
16	Ashford Mills (Zhangzhou) Co., Ltd.	13	19	18	50	
17	Hangzhou Hangmin Damei Arrangements Co., Ltd.	16	25	17	58	
18	Suzhou Kebo P&D Co., Ltd.	14	20	16	50	7
19	Jiaxing Tianlun Nano Dyeing and Finishing Co., Ltd.	15	20	12	47	

AT LEVEL						
Position	Dye House	Chemical	Energy	Water	Total	Overall
20	GT Process	15	13	17	45	
21	Zhejiang Cady Industry Co., Ltd.	12	15	15	42	
22	Zhejiang Charming Dyeing & Finishing Co., Ltd.	5	18	16	39	6
23	Yiwu Wanyi Technology Development Co. Ltd.	11	14	11	36	
24	Changshu Huayu Knitting Dyeing & Printing Co., Ltd.	9	13	10	32	
25	Jiangsu Shenli Enterprise Co., Ltd.	13	7	12	32	
	Zhejiang Century Fiber & Textile Co., Ltd.	10	7	15		5
27	Zhejiang Texwell Textile	8	9	14	31	
28	Wuxi Sintex Printing & Dyeing	6	9	10	25	
29	Zongbang Textile Co. Ltd.	7	10	7	24	4

UNDERPERFORMING						
30	Yun Hsiang Enterprise Co., Ltd.	6	5	7	18	
31	Huaian'an City Hongchang Dyeing & Weaving Co., Ltd.	7	5	5	17	3
32	Bao Yi Weaving Printing & Dyeing Co., Ltd.	4	4	7	15	
33	Zhejiang Yifeng Printing & Dyeing Co., Ltd. (No. 6 Workshop)	10	1	1	12	2
34	Kunze Textile Technology Co., Ltd Weaving & Dyeing Co., Ltd.	3	2	2	7	1
35	Shaoxing ChuàngTuò Textile Limited	0	1	2	3	
36	TBC (*Awaiting supplier's dye house details*)	0	0	0	0	0
	TBC (*Awaiting supplier's dye house details*)	0	0	0	0	

JD Outdoor

JD Group

Dye House Environmental League Table: Sprinter

LEADING						
Position	Dye House	Chemical	Energy	Water	Total	Overall
1	Esquire Knit Composite Ltd.	50	33	36	119	12
2	Fuzhou Changle Shengguang Knitting Co., Ltd.	33	35	29	97	
3	Tongyi (Quanzhou) Light Industry Co., Ltd.	34	32	30	96	
4	Zhejiang Tianma Industrial Share Co., Ltd.	30	28	31	89	
5	Jiang Xi Mei Qi Industry Co., Ltd.	42	26	36	104	11
6	Guangdong Caishi Textile Co., Ltd.	27	29	25	81	

GOOD						
7	Shandong Kaitai Superfine Fiber Co., Ltd.	22	35	14	71	9
	Shasing Shapheng Dyeing Co., Ltd.	24	21	26		
9	Dongguan Hengfa Strap Weaving Co., Ltd.	18	26	23	67	
10	Wuhu Fuchun Dye & Weave Co., Ltd.	30	12	24	66	
11	Shengshan Group Co., Ltd.	24	20	20	64	
	Jiafu (Fujian) Dyeing and Finishing Co., Ltd.	20	22	22		
13	Guanhong Holding Co., Ltd.	19	22	19	60	
14	Abir Fashions	19	19	21	59	
15	Shishi Lingfeng Dyeing & Weaving Co., Ltd.	23	13	19	55	8
	Fujian Fortunes Textile & Dyeing Co., Ltd.	22	12	21		
17	Wujiang Sanlian Printing and Dyeing Co. Ltd.	16	17	20	53	7
18	Anhui Lanlan Towel & Sheet Co., Ltd.	15	22	10	47	

AT LEVEL						
Position	Dye House	Chemical	Energy	Water	Total	Overall
19	Suzhou Obeide Textile Printing & Dyeing Co., Ltd	10	12	17	39	6
20	Gofer Socks, S.A.	13	11	12	36	
21	Zhangjiagang Gangfan Top Finishing Factory	10	10	13	33	
22	Zhejiang Cady Industry Co., Ltd.	12	10	10	32	
23	Akpamuk İplik A.Ş.	15	7	11	33	5
24	Sunderay (Fujian)Textile Technology Co., Ltd.	14	10	8	32	
25	Shenghong Group Co., Ltd.	11	7	12	30	
26	Hubei Chulong Dip Dye Co., Ltd.	10	8	11	29	
	Nantong Yueshang Textile Technology Co., Ltd.	8	11	10		
	Hafiz Saad Dye House	11	10	8		
29	Zhangjiagang Rongyuan Textile Co., Ltd.	9	8	9	26	
30	Suzhou Hongda Printing and Dyeing Co., Ltd.	8	4	11	23	4
31	Zhejiang Yingfeng Technology Co., Ltd.	9	3	6	18	

UNDERPERFORMING						
32	Fujian Qingyuan Technology Co.	4	6	5	15	3
33	Socks Active Texteis Lda	5	4	0	9	2
34	Wujiang Delin Textile Finishing Co., Ltd.	6	2	0	8	1
35	Fujian Qianfeng Textile Technology Co., Ltd.	3	1	1	5	
36	Technical & Textile Service S.R.L.	0	0	0	0	0
	Mersu Tekstil Tic. San. Ltd. Sti	0	0	0		

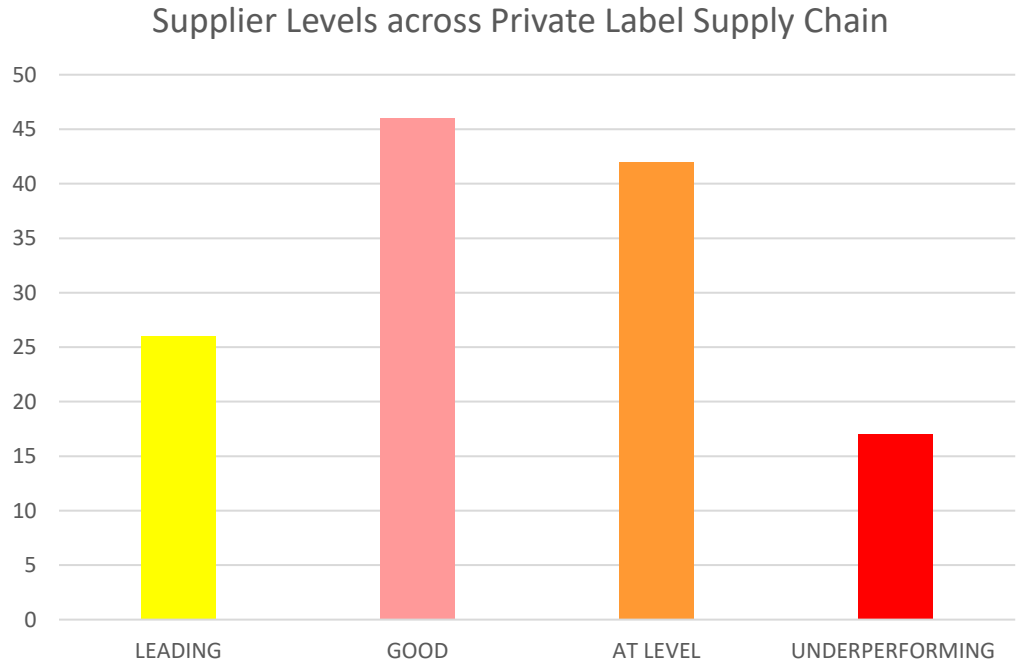
Sprinter

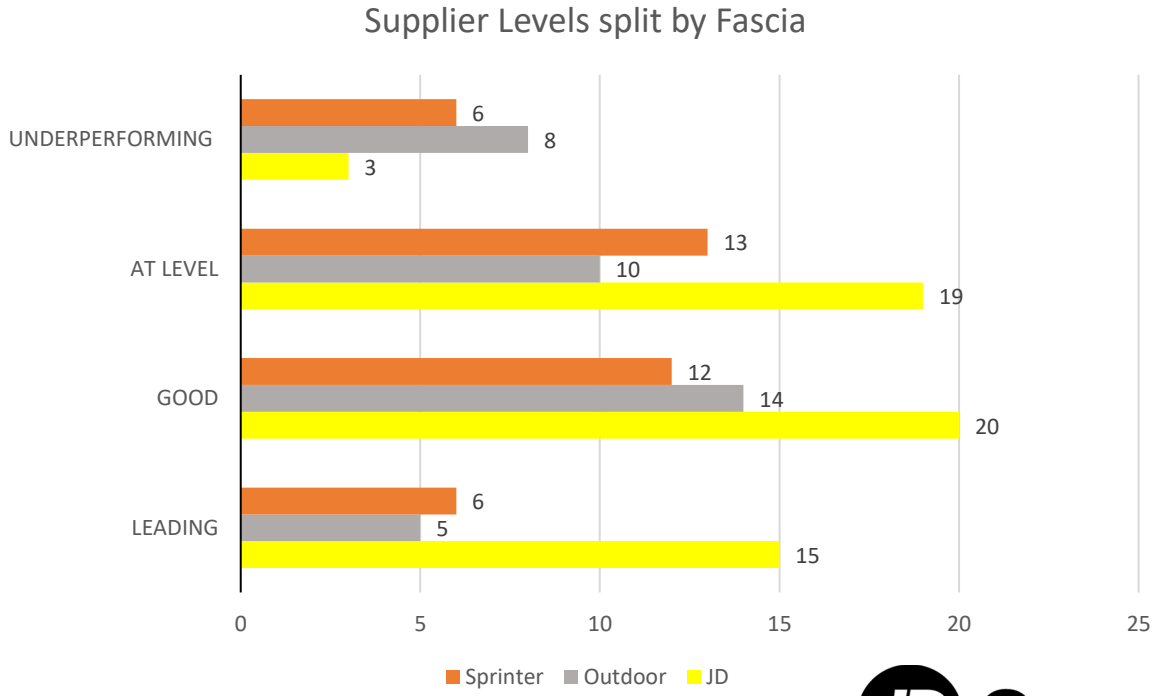
Facilities Split by Performance Level

A total of 131 dye houses were analysed on their environmental management strategies across JD Sports, JD Outdoor & Sprinter Private Labels.

The following levels were found:

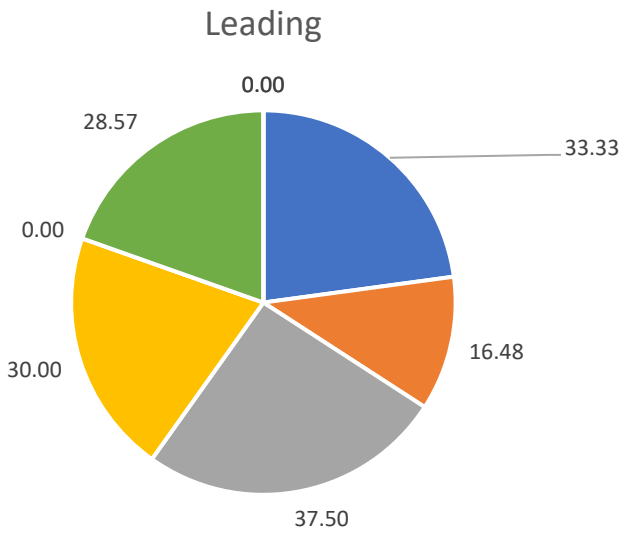
- Nearly 87% of dye facilities were performing ‘At Level’ or above in their environmental management practices. The largest overall category was ‘Good’.
- JD Sports Private Label has 95% of their dye facilities performing ‘At Level’ or above.
- Outdoor Private Label has 78% of their dye facilities performing ‘At Level’ or above.
- Sprinter Private Label has 84% of their dye facilities performing ‘At Level’ or above.
- Nearly 20% of dye facilities across JD, Outdoor and Sprinter Private Label are classed as ‘Leading’ in their environmental management practices.

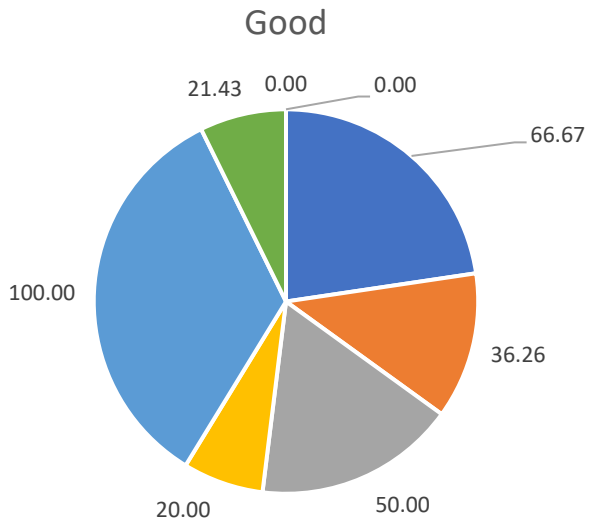


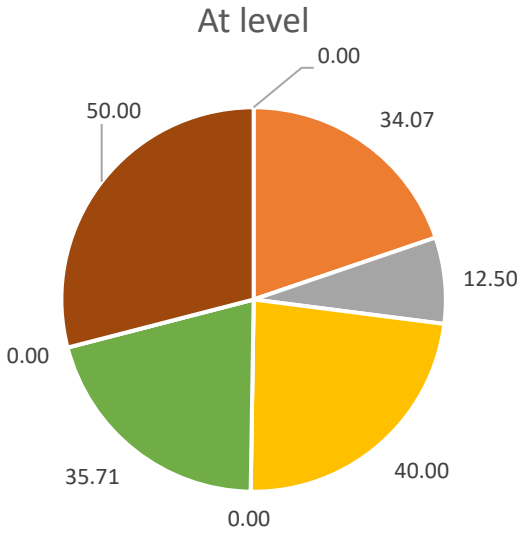


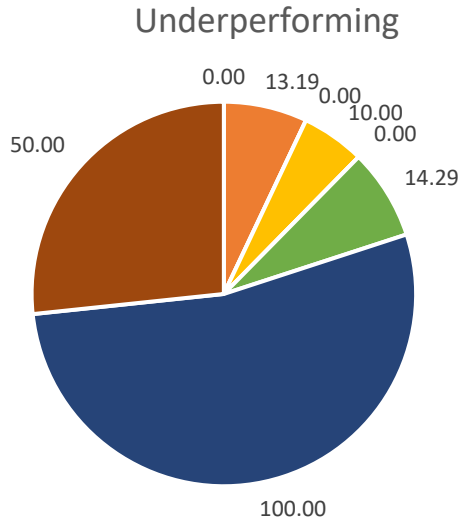
Environmental Management Performance Level

(%) by Dye House Country of Origin

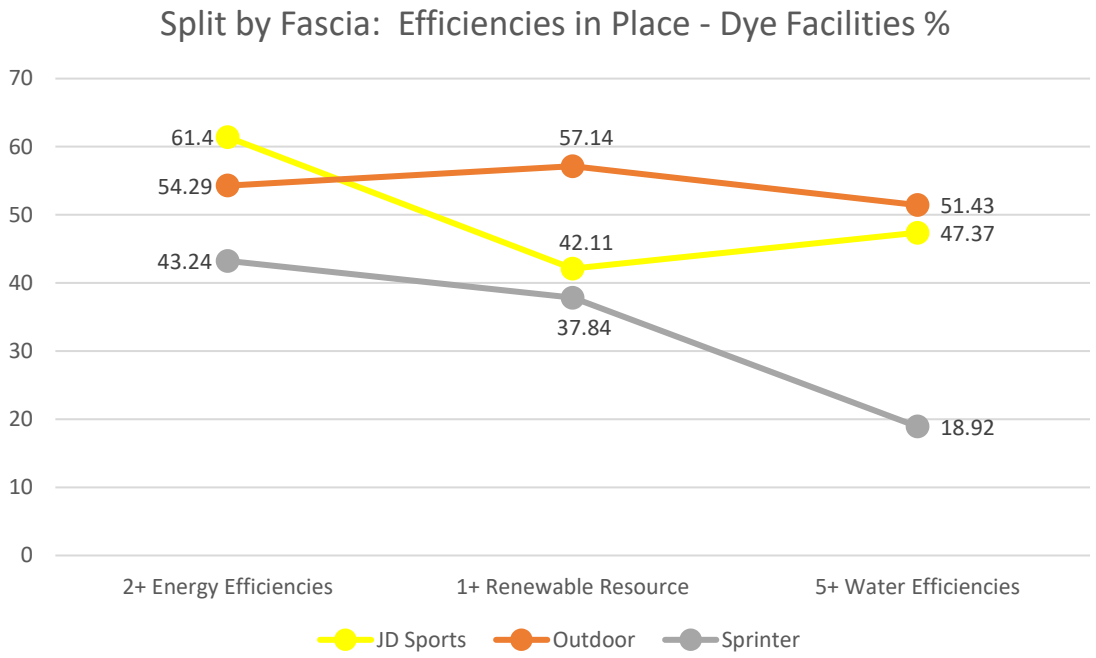


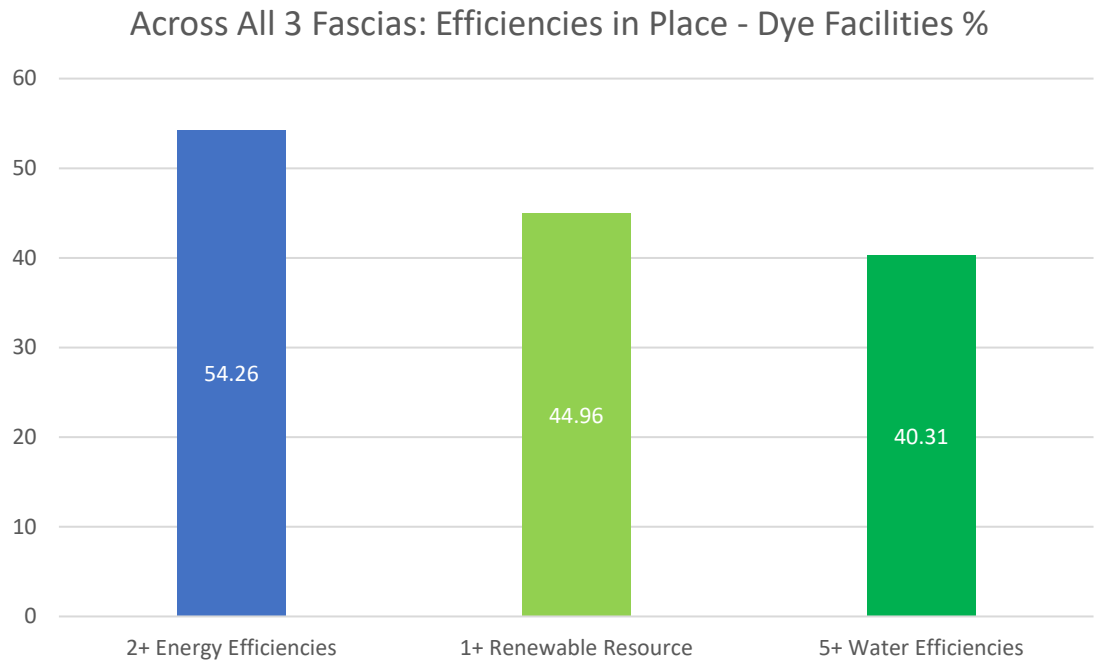




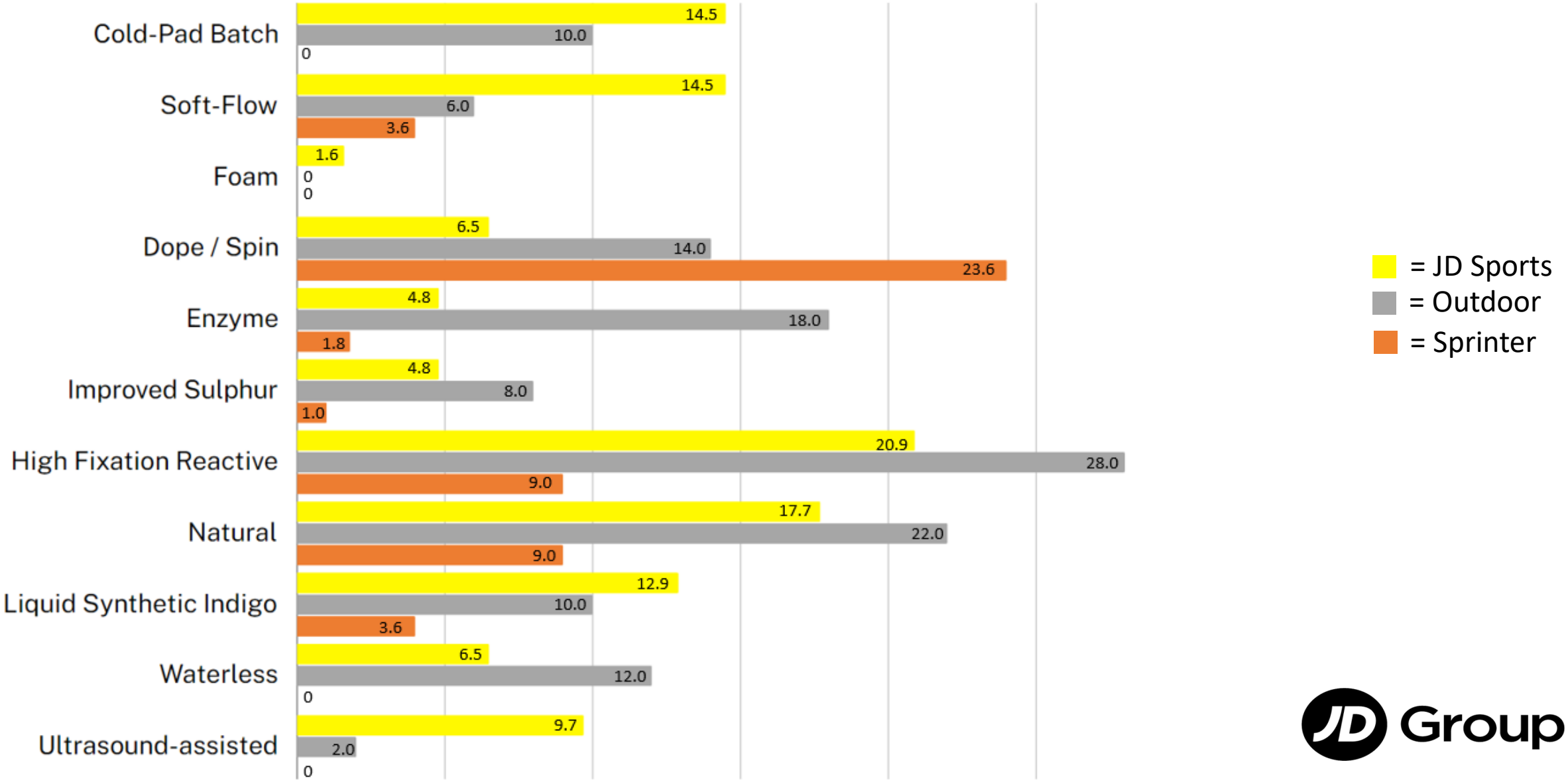


Percentage of Private Label Dye Facilities with Water & Energy Efficiencies and Renewable Resource





Lower Impact Dyes & Dyeing Processes (%) used by Private Label Suppliers



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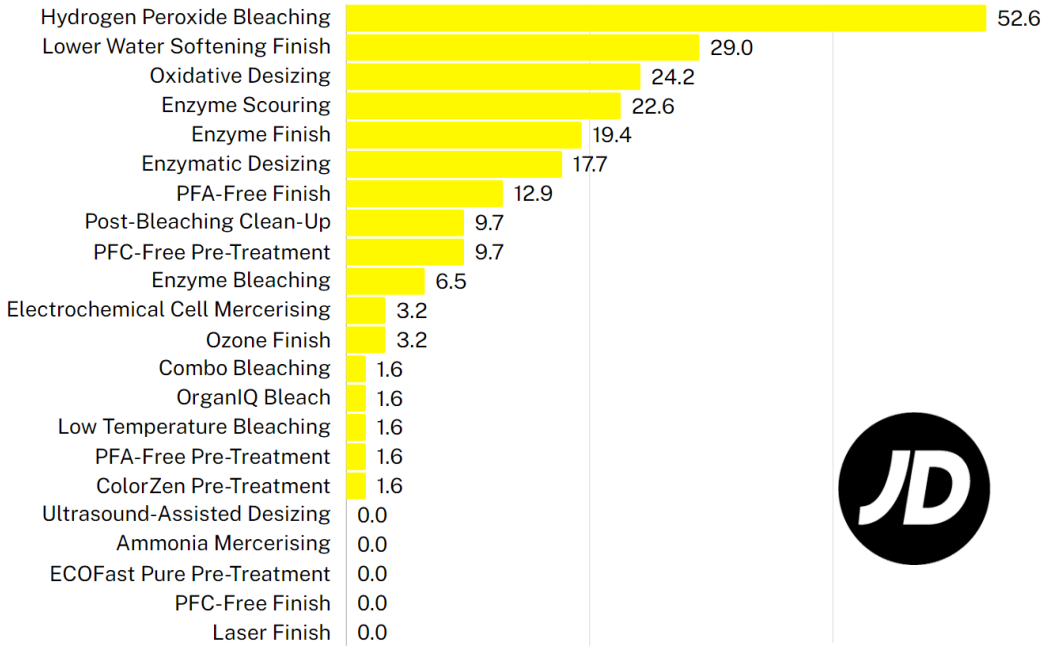
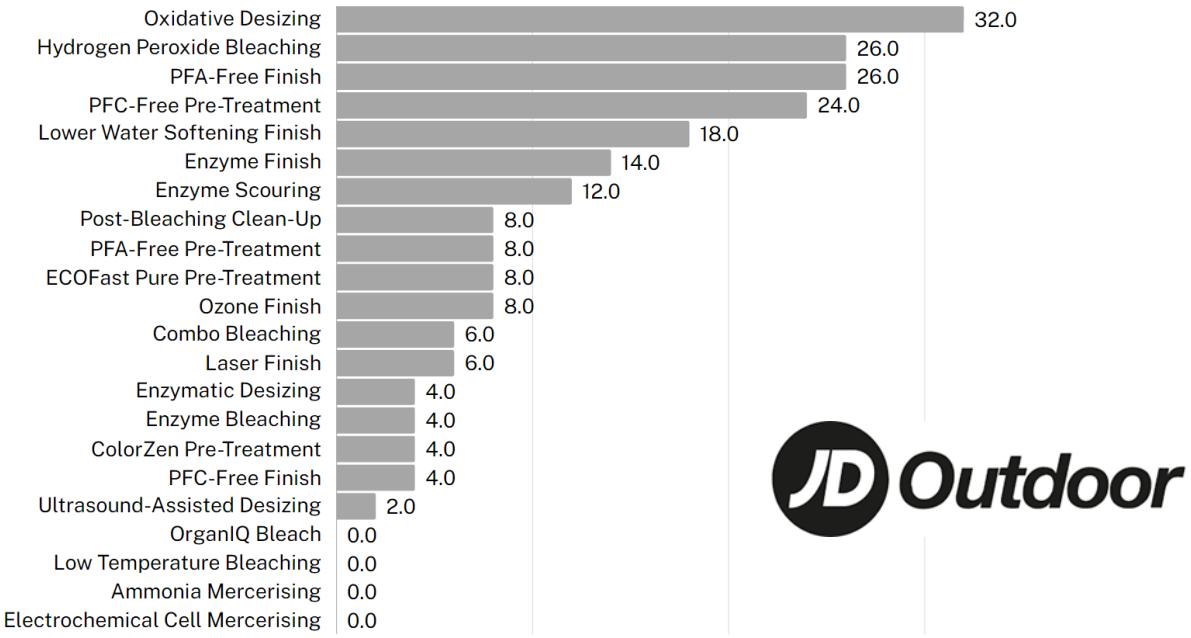
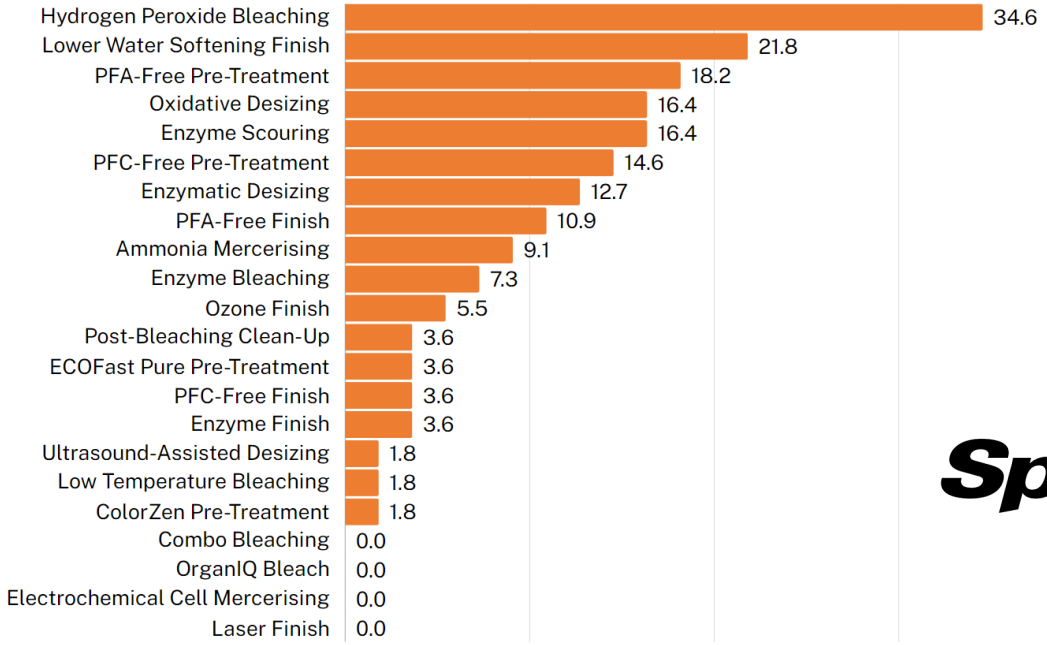
Lower Impact Pre- & Finishing Treatments (%) used by Private Label Suppliers





JD Outdoor



Sprinter

Conclusion: EPE Scope and Improving Standards

Review Process: Key Improvements

- Our EMP has embraced an approach which analyses processes in tier facilities for their environmental impacts and sustainable initiatives, alongside reviewing a wide range of sustainable certifications.
- We received positive feedback from suppliers last cycle that the new fact sheet format was easier to follow, and so kept a similar blueprint for the sheets this year, updating in a few key areas.
- We have reviewed performance grades, as we look to keep pushing forward with our expectations of supplier (minimum) standards. We have, therefore, increased the threshold for achieving a 'Leading' supplier level, to more accurately identify top environmental performers. Score Cards are issued to support our suppliers' understanding of their tier facilities' achievement levels and to enable improvement actions.

Moving Forwards: EPE Development, Metrics and Targets

- We will continue to conduct data-based environmental assessments across our supply chain, to increase our knowledge of environmental management processes. Through continual evaluation and sharing of data, we will identify and implement sustainable initiatives and improve performance across fascias and factories.
- We will strive to collectively reduce environmental impacts, across both our immediate operations, and within the local environments in which our supply base operates.
- The fact sheets demonstrate our commitment to EPE system improvements. By introducing standardised questions, backed-up by verifiable evidence, we are reducing our reliance on third-party assessment and sector averages.
- By utilising our own research and establishing verifiable metrics within our assessments, we have been able to dive deeper into our evaluation of tier facilities' chemical, energy and (waste)water management practices, as well as tracking air pollutant and GHG emissions. Through the fact sheets we can now benchmark performance and review progress annually to monitor tier facilities' environmental performance across cycles.
- Our EMP is a key pillar of JD Group's *Cleaner In Production*: A 3- to 5-year programme, with targets to reduce environmental impacts and 'design out' waste, through verifiably reducing our Private Label Scope 3 carbon footprint.

Future Development: Environmental Management Fact Sheets

- As part of this EMP cycle, environmental management fact sheets were sent to fabric mills, with a plan to analyse the data in a similar way to the dye houses. On analysing the data, we learned that we could not apply the same methodology to the dry processing knitting and woven tiers – and so will do further research to 'move on' our fabric mill sheet, in order to better understand environmental processes and sustainable practices at the facilities.

- As tentative steps in furthering our knowledge of mill processes, we undertook a number of audits (through third-party auditors *Bureau Veritas* and *Intertek*), to increase our understanding of the environmental performance of our fabric mills. We are in the process of reviewing the data from these audits, and analysing results in detail, so that we can assess next steps. We will continue to conduct further mill audits to widen our dataset.

- This EMP cycle, we also dived deeper to map tier transparency of our spinning mills – which we had not had visibility of before. This opens-up the potential to analyse spin facilities in future EMP cycles. We have already identified that the spinning process creates a larger carbon footprint, so this may be a fruitful avenue for future investigation.

- We will continue to expand our research programme, so that we have full visibility of environmental processes across all Private Label tier facilities. This means in future cycles we will look to capture environmental data across our full supply chain – working to develop fact sheets which will explore denim laundries, footwear facilities, and the manufacture of outdoors equipment.