

JD Group

PRIVATE LABEL

ENVIRONMENTAL PERFORMANCE EVALUATION

Monitoring & Improving Supply Chain Environmental Management

Policy, Standards & Results
October 2025



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



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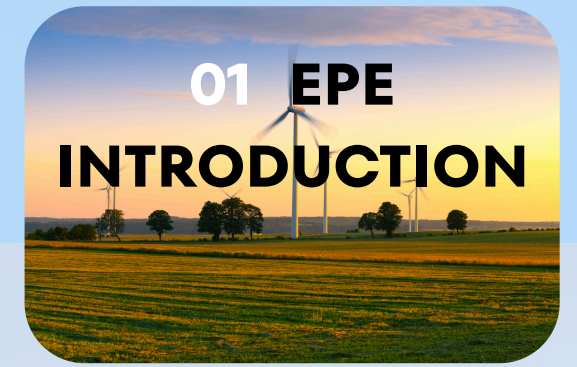
JD Group
PRIVATE LABEL

Environmental Performance Evaluation

OCTOBER 2025

ENVIRONMENTAL PERFORMANCE

Report Introduction



This **Environmental Performance Evaluation** report outlines JD Group Private Label's environmental policy, standards and results for the last 12-month period. The EPE is instrumental in structuring and communicating the steps we are taking to manage our environmental programme.

We set out the strategy and priorities of our **Environmental Management Programme** (EMP), which systematically maps, monitors and assesses performance across our supply chain within apparel, accessories, and footwear production tiers. The EMP promotes the responsible use of chemical, energy and water resources to reduce waste and greenhouse gas emissions, and to minimise JD's Scope 3 environmental footprint. This embraces JD Group's wider ESG goal of promoting sustainable sourcing strategies to reduce climate change impacts.

Our current EMP apparel and accessories assessment focuses on analysis of textile **wet-processing** sites – a tier identified as particularly resource-heavy, where significant environmental impact improvements can be made. The programme takes a '**process-based**' approach as one of its key strategic pillars for monitoring environmental standards. We present both supplier and fascia performance data, and analyse overall progress.

The EPE report **reviews** our programme methodologies and processes, to build on a blueprint established over previous reporting cycles. We conclude by suggesting next steps for future EMP direction and growth, with the objective of advancing Private Label environmental performance across our supply base and fascias, to meet JD Group climate targets.

ENVIRONMENTAL PERFORMANCE

Strategic Steps



JD Group Private Label has identified six key strategic steps to structure its programme of environmental management and due diligence, driving environmental strategy and performance improvements across its supply chain:



ENVIRONMENTAL MANAGEMENT

EMP Approach

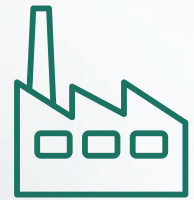
02 EMP OVERVIEW



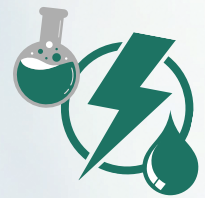
The Environmental Management Programme...



Sets out JD Group environmental standards and audits their compliance.



Benchmarks production processes from 'conventional' to 'less environmentally impactful' and monitors within facilities.



Monitors energy emissions and efficiencies, water stewardship and safe chemical management practices.



Tracks accredited environmental certifications and audits held by facilities.

Methodology



Fact sheets are completed cyclically by each tier facility being used within JD Group's supply base, outlining supply chain transparency information and providing environmental data.



This allows us to monitor facilities' environmental management, to highlight best practice and make comparisons in performance and progress across our supply chain year-on-year.



Performance metrics are fed back to suppliers to drive environmental practice improvements.

EMP METHODOLOGY

02 EMP OVERVIEW



Two Key Strategic Pillars:



Transparency

Transparency is at the heart of the EMP strategy - tracking the tier facilities used by textile suppliers for spinning, knitting, weaving, dyeing, laundering, printing and embroidery processes.

A key pillar of our EMP is gaining this visibility of production sites so we can map our full supply chain, prior to environmental assessment.



Wet-Processing

Wet-processing has been identified as an especially resource-heavy tier within Scope 3, using large amounts of water, energy and chemicals.

For this reason, our apparel and accessories EMP assessment focuses environmental analysis in **dye houses**, where suppliers' wet-processing practices can be most impactful in managing and minimising carbon emissions and waste.

01 RESOURCE CATEGORIES

The Environmental Management Fact Sheet is completed by all JD Private Label dye houses. It benchmarks and assesses dyeing practices that prioritise **energy efficiency, water stewardship** and **safe chemical management** within suppliers' wet-processing tier facilities.



CHEMICAL Compliance

- Safe chemical and dyestuff management
- Toxic and restricted substance conformance
- Responsible disposal of hazardous waste



ENERGY Management

- Monitoring use of energy resources, including transition to renewables
- Tracking efficiency practices
- Monitoring air pollution and GHG emissions, and implementation of targets and reduction plans

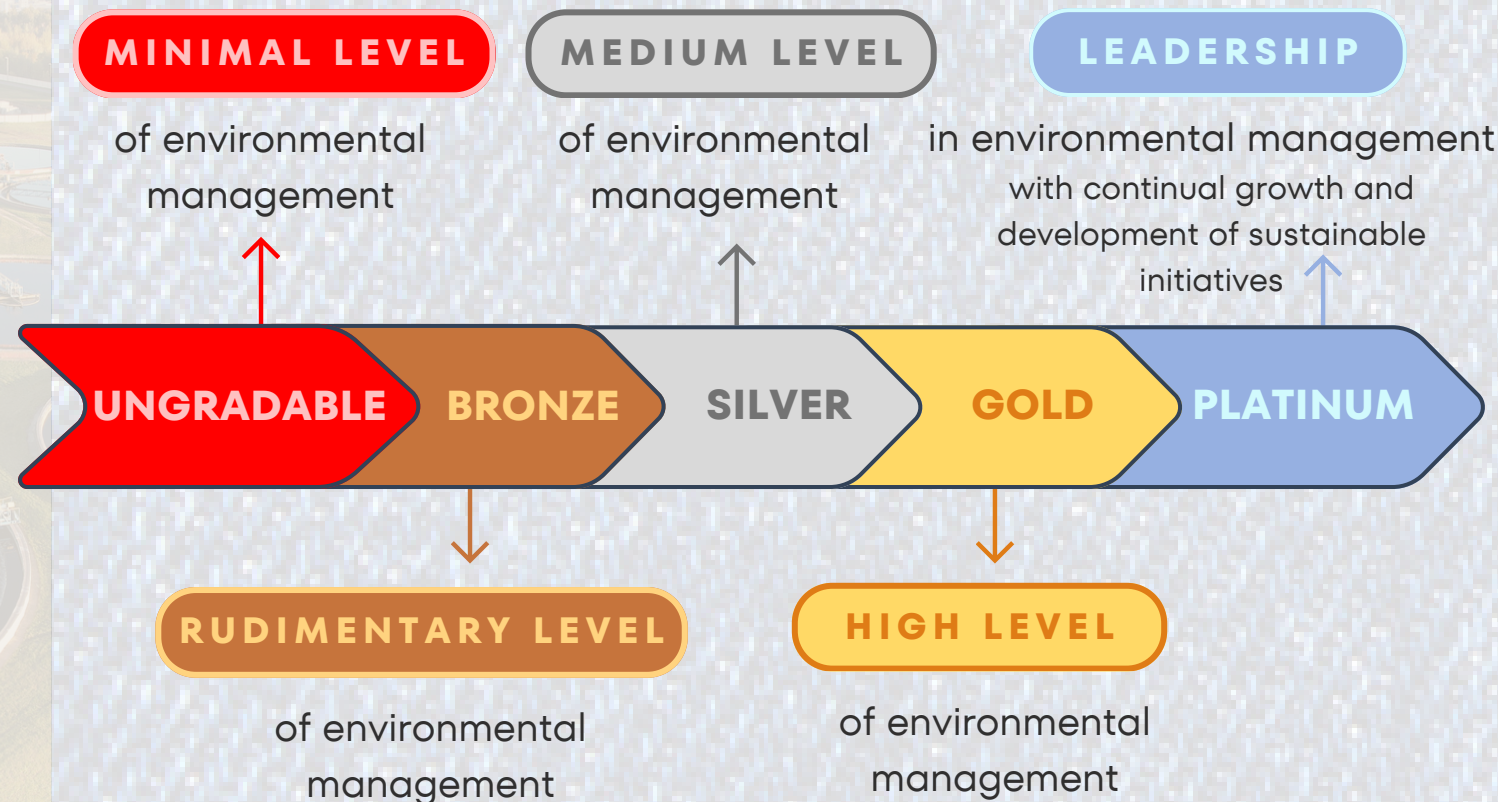


WATER Stewardship

- Monitoring water sources, withdrawal and consumption
- Wastewater treatment, reuse and discharge
- Microfibre measurement and sludge capture

02 SCORING LEVELS

When assessing chemical, energy and water management, each resource category is assigned a **scoring level** from Ungradable to Platinum based on performance.



03 OVERALL GRADES

Resource category scoring levels attained are added together to award **overall grades** for each dye house.

These grades are based on levels of environmental performance evidenced through verified certifications, as well as processes and efficiencies adopted.

Grades range from **Underperforming** to **Leading** levels:

UNDER-PERFORMING

The facility does not meet JD Group's minimum standards of environmental compliance.

AT LEVEL

The facility can improve in all areas by taking actions to increase levels of sustainability.

GOOD

There are additional actions the facility can take to further improve levels of sustainability.

LEADING

The facility is a leader within our supply chain in environmental processes and sustainable initiatives.

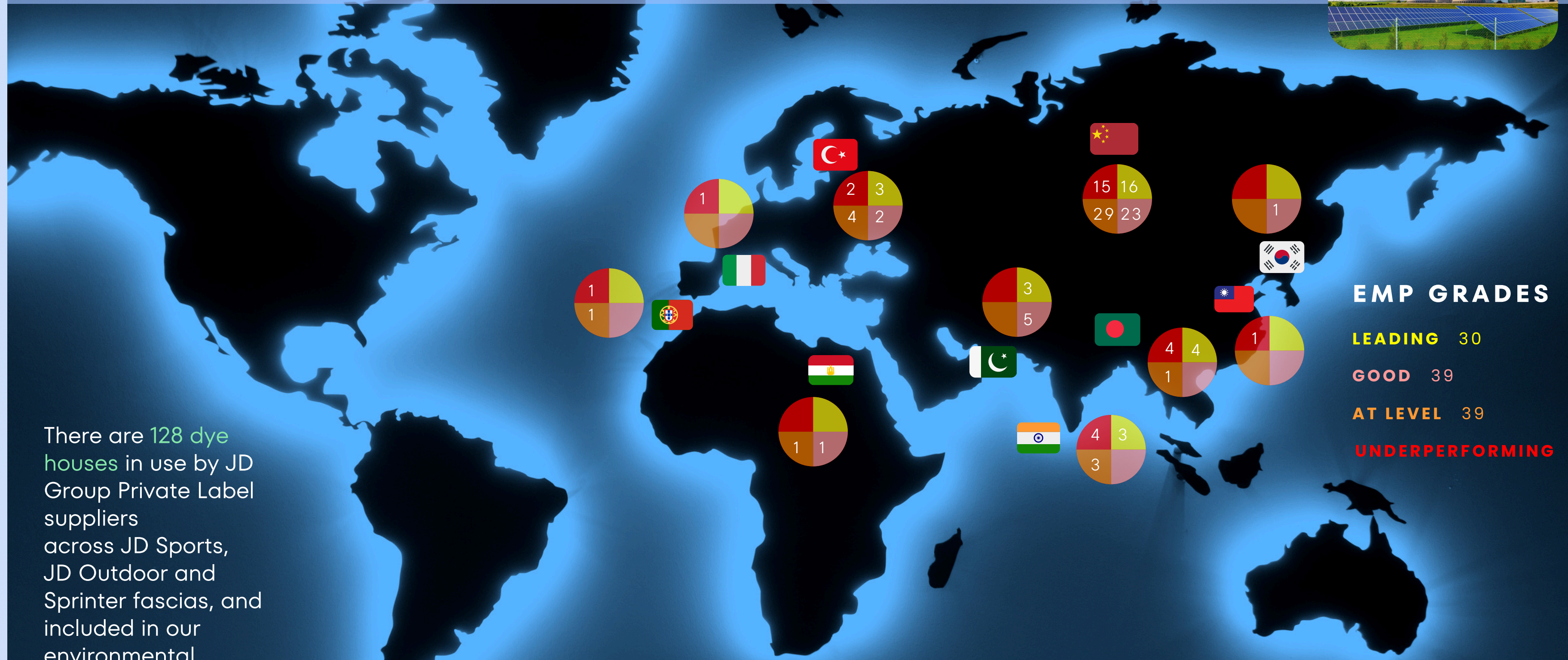
Suppliers will receive score cards, communicating strengths or areas for improvement. Where underperforming facilities are identified, JD will set out minimum standards and partner with suppliers to put appropriate measures in place that promote more sustainable practices.

JD Group

JD GROUP SUPPLIER DYE HOUSES

Geographic Locations & EMP Grades

03 EMP RESULTS: GRADES



EMP GRADES

- LEADING 30
- GOOD 39
- AT LEVEL 39
- UNDERPERFORMING 20

There are 128 dye houses in use by JD Group Private Label suppliers across JD Sports, JD Outdoor and Sprinter fascias, and included in our environmental assessment. These dye houses are spread geographically across 10 countries.

- BANGLADESH
- INDIA
- PAKISTAN
- TURKEY
- CHINA
- ITALY
- PORTUGAL
- SOUTH KOREA
- EGYPT
- TAIWAN

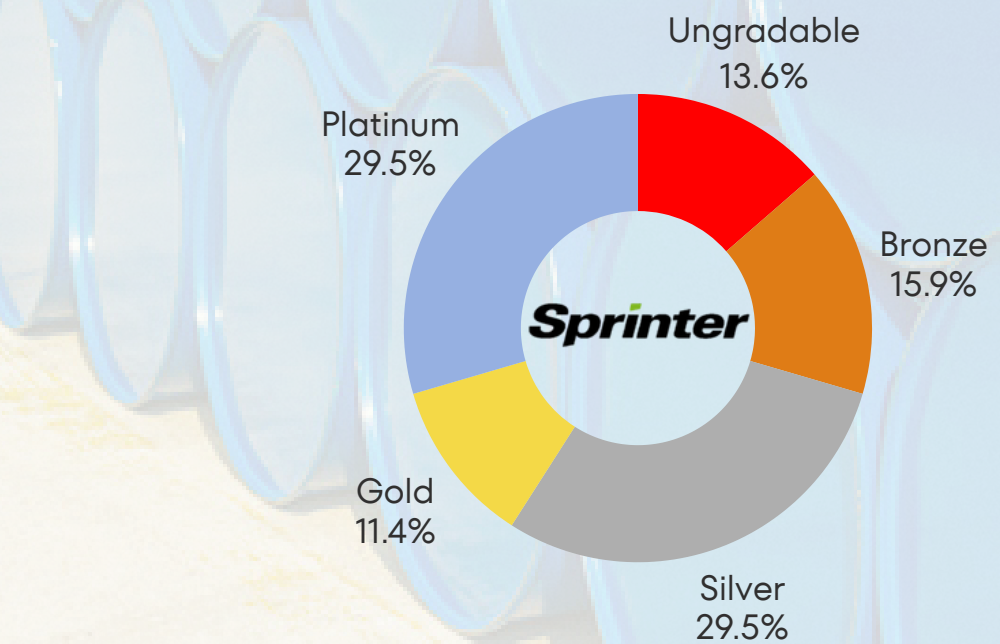
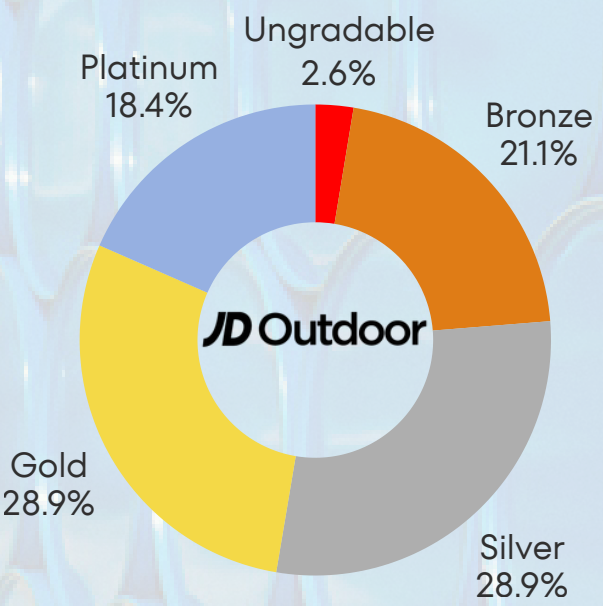
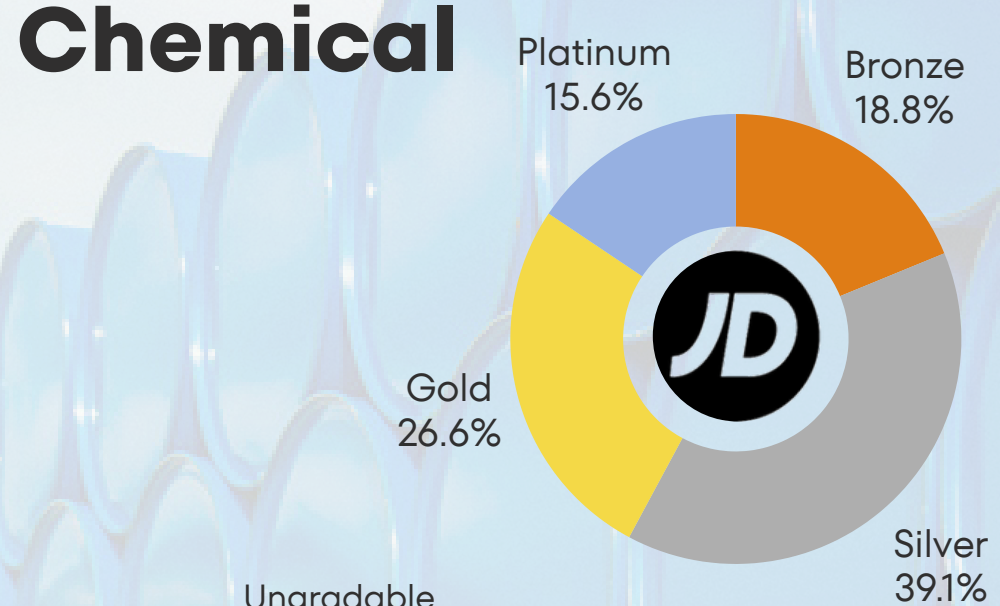
Resource Management: by Fascia

Dye House Environmental Resource Scores (%)

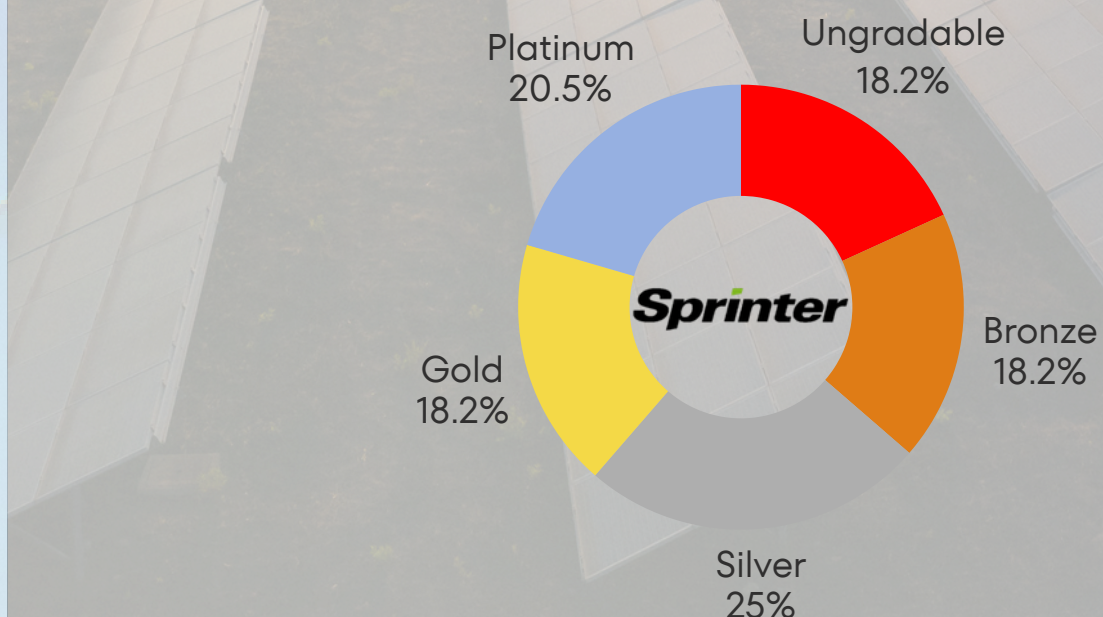
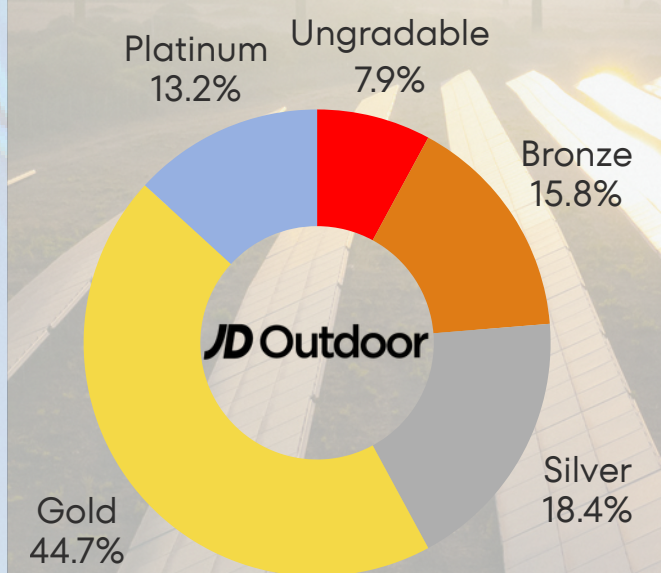
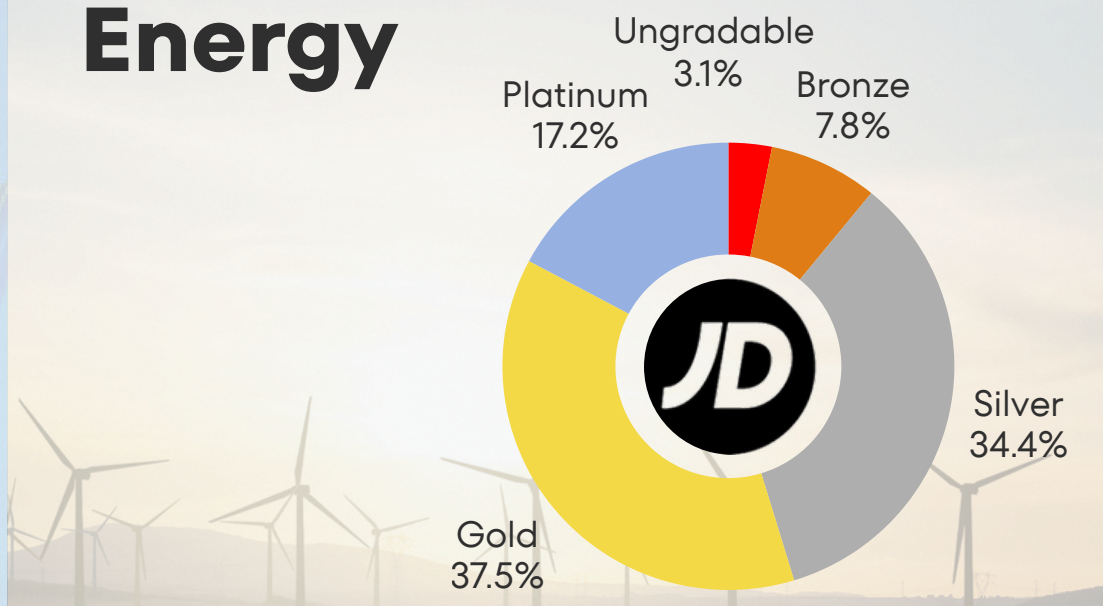
03 EMP RESULTS: GRADES



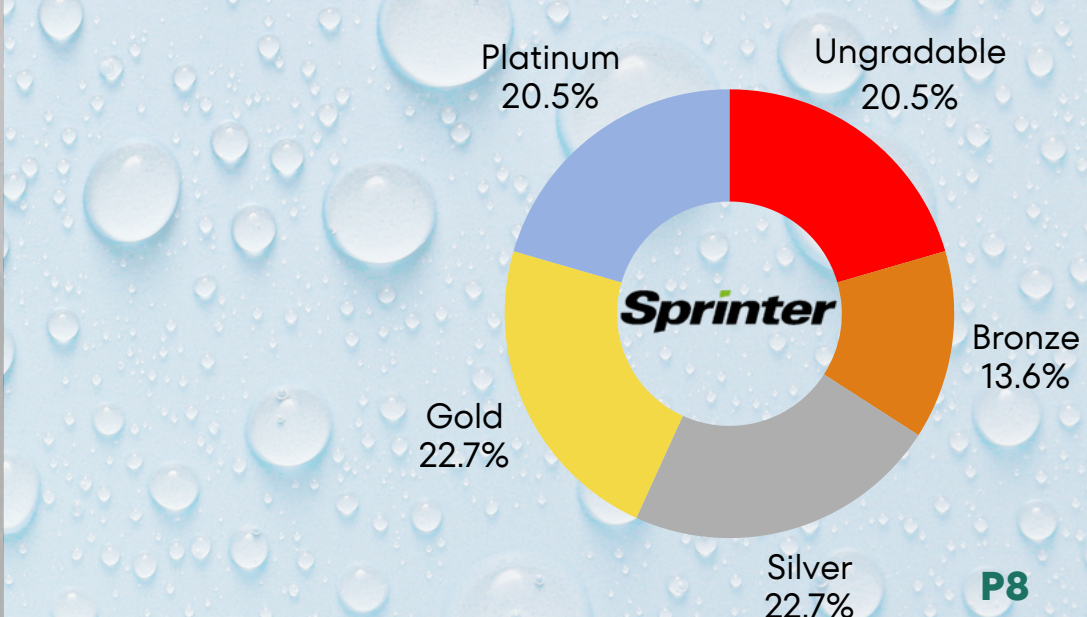
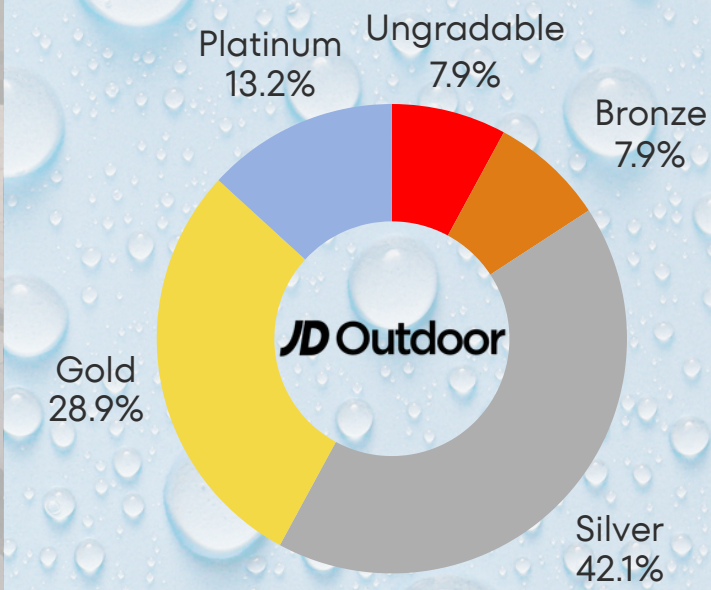
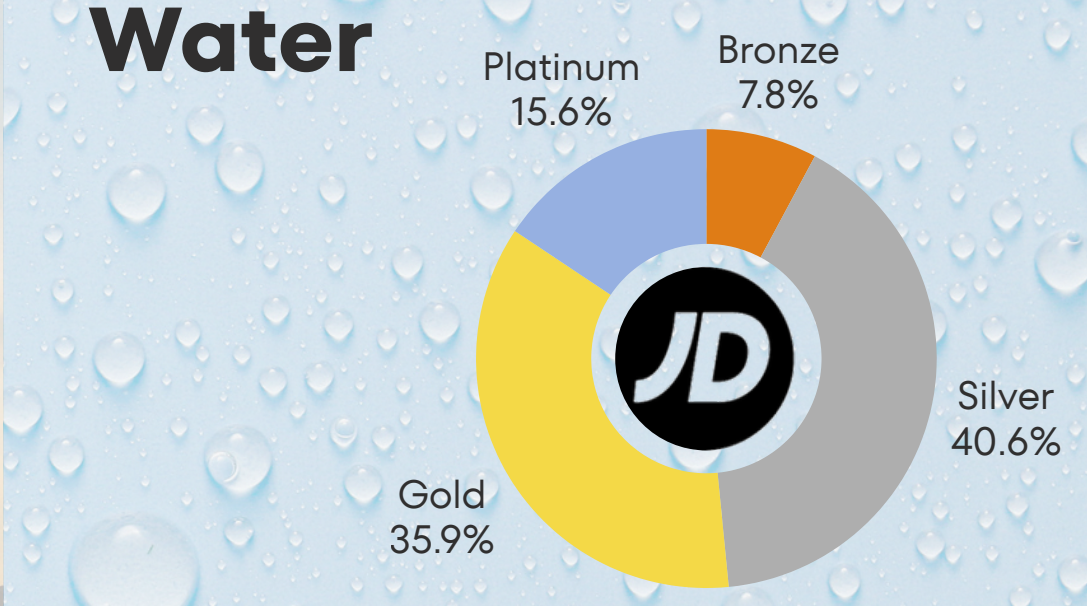
Chemical



Energy



Water

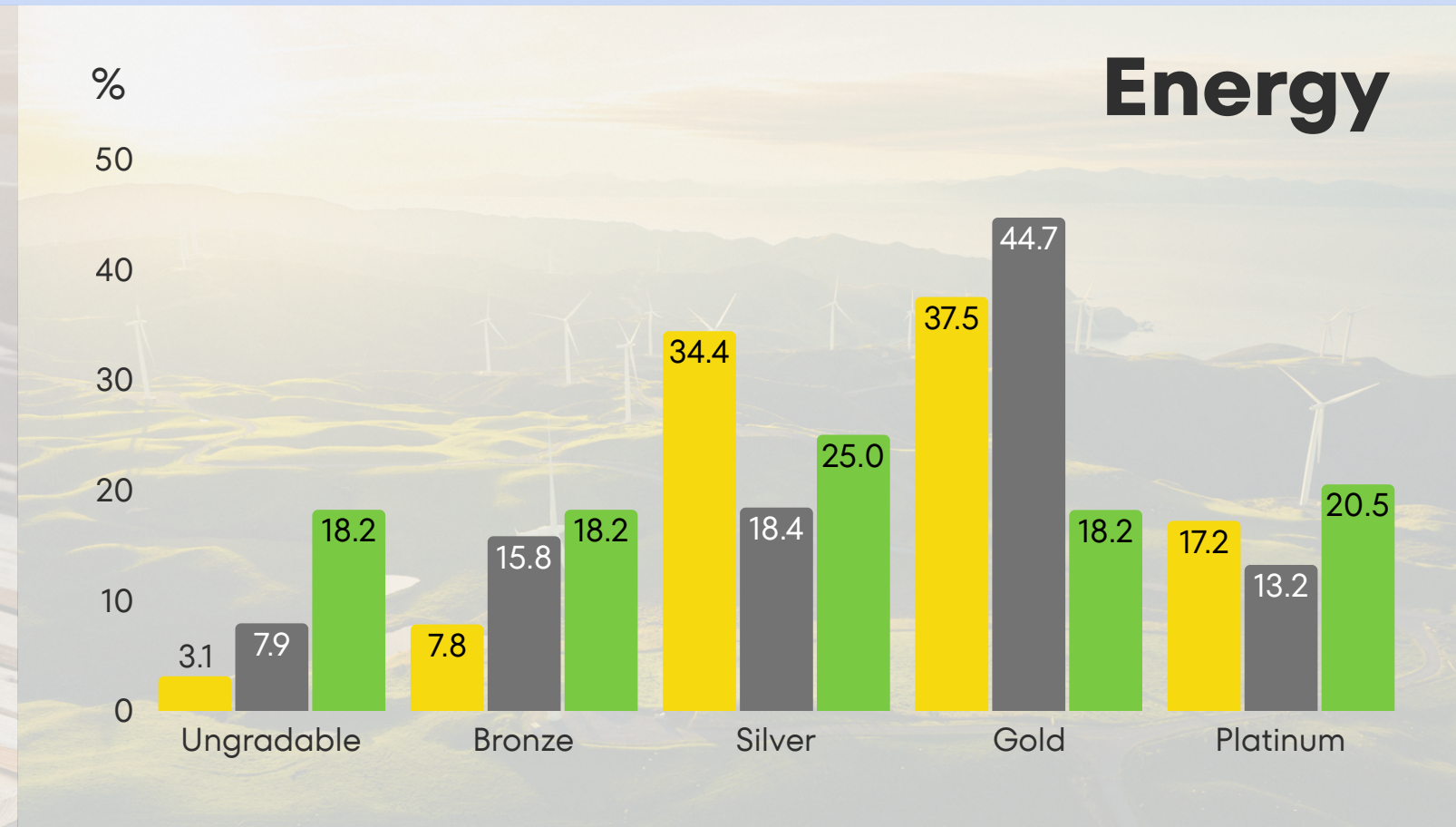
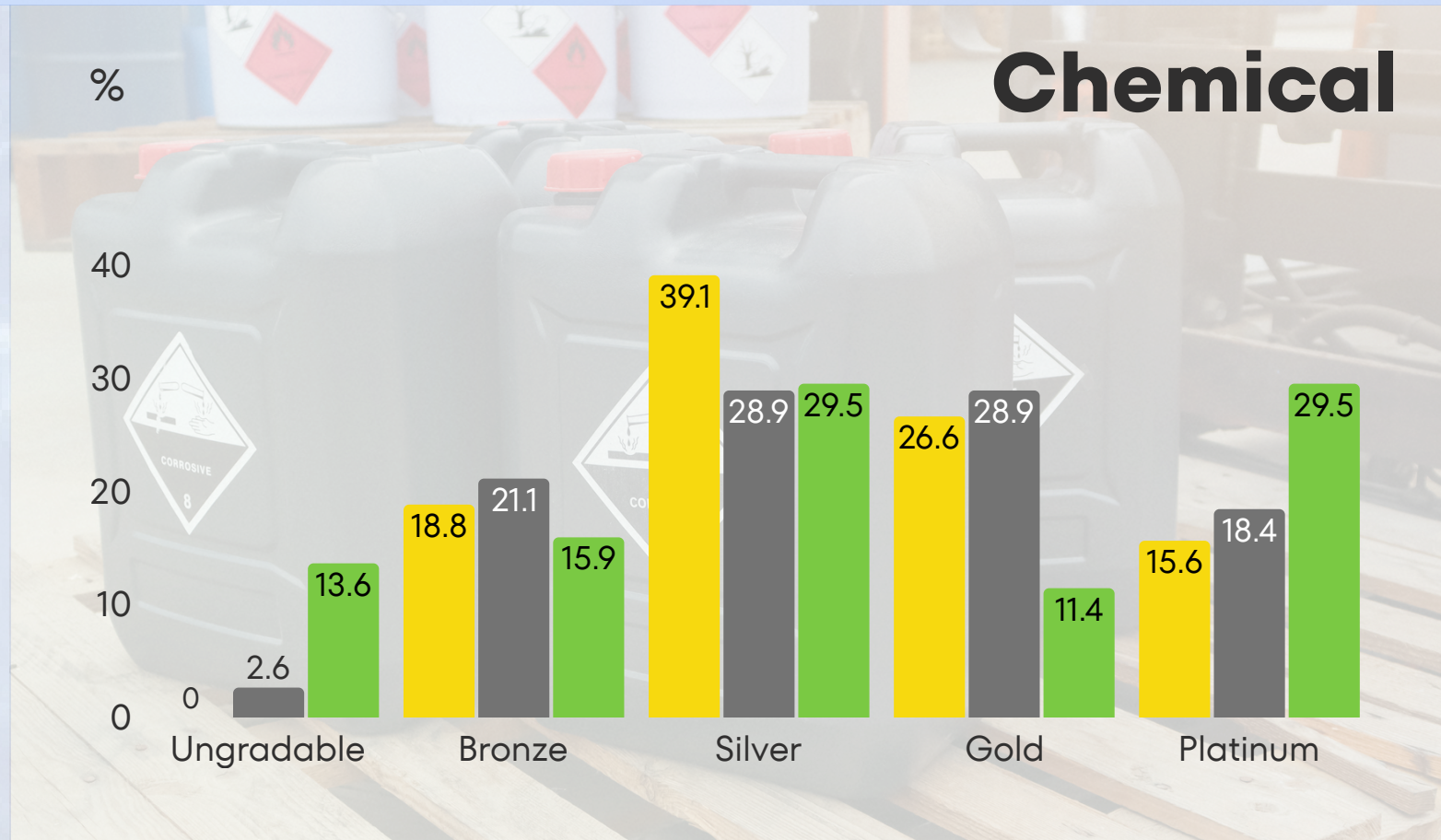


JD Group

Resource Management: Fascia Comparison

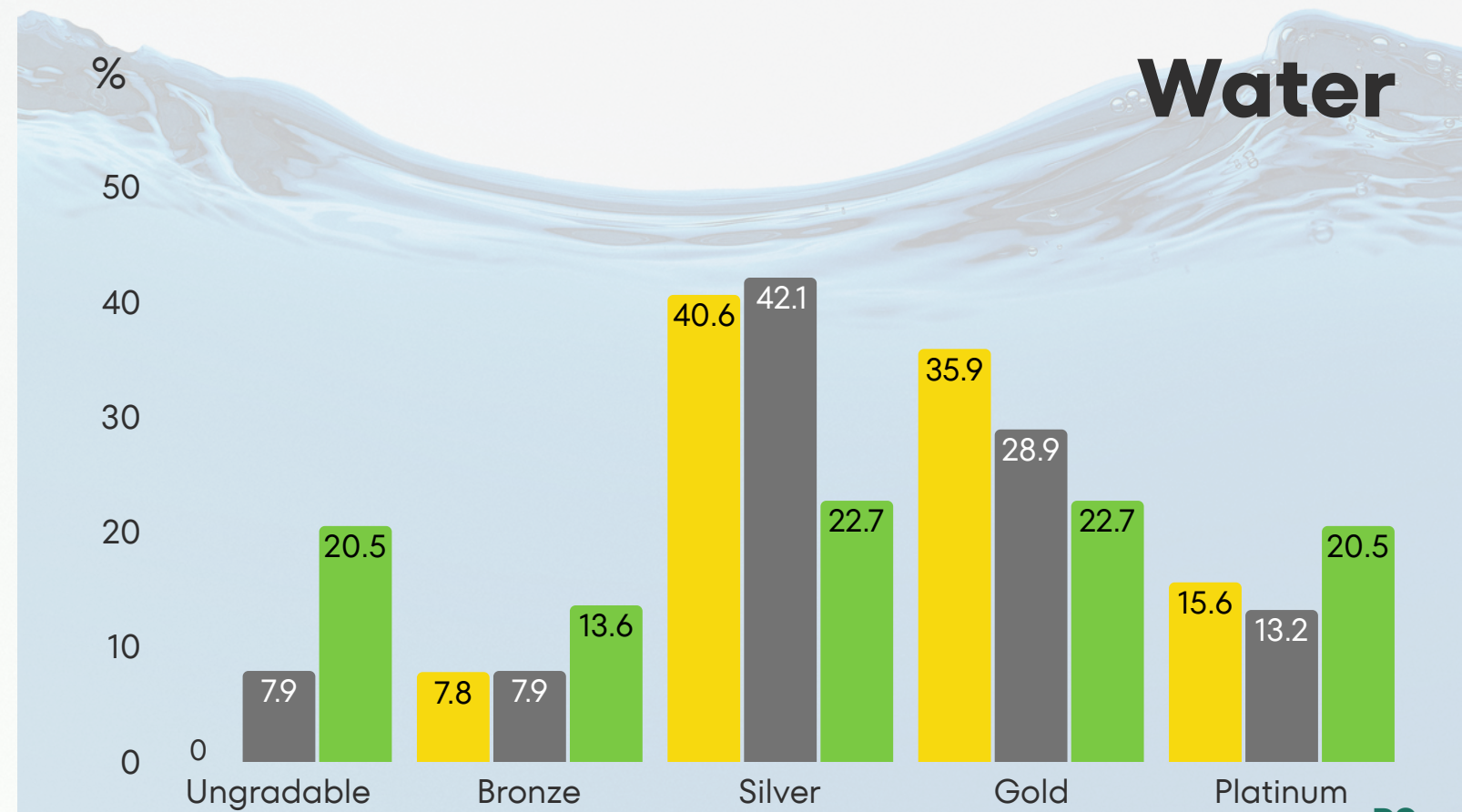
Dye House Environmental Resource Scores (%)

03 EMP RESULTS: GRADES



Bar chart overview: dye house comparative resource management scores across JD Group fascias.

JD Group



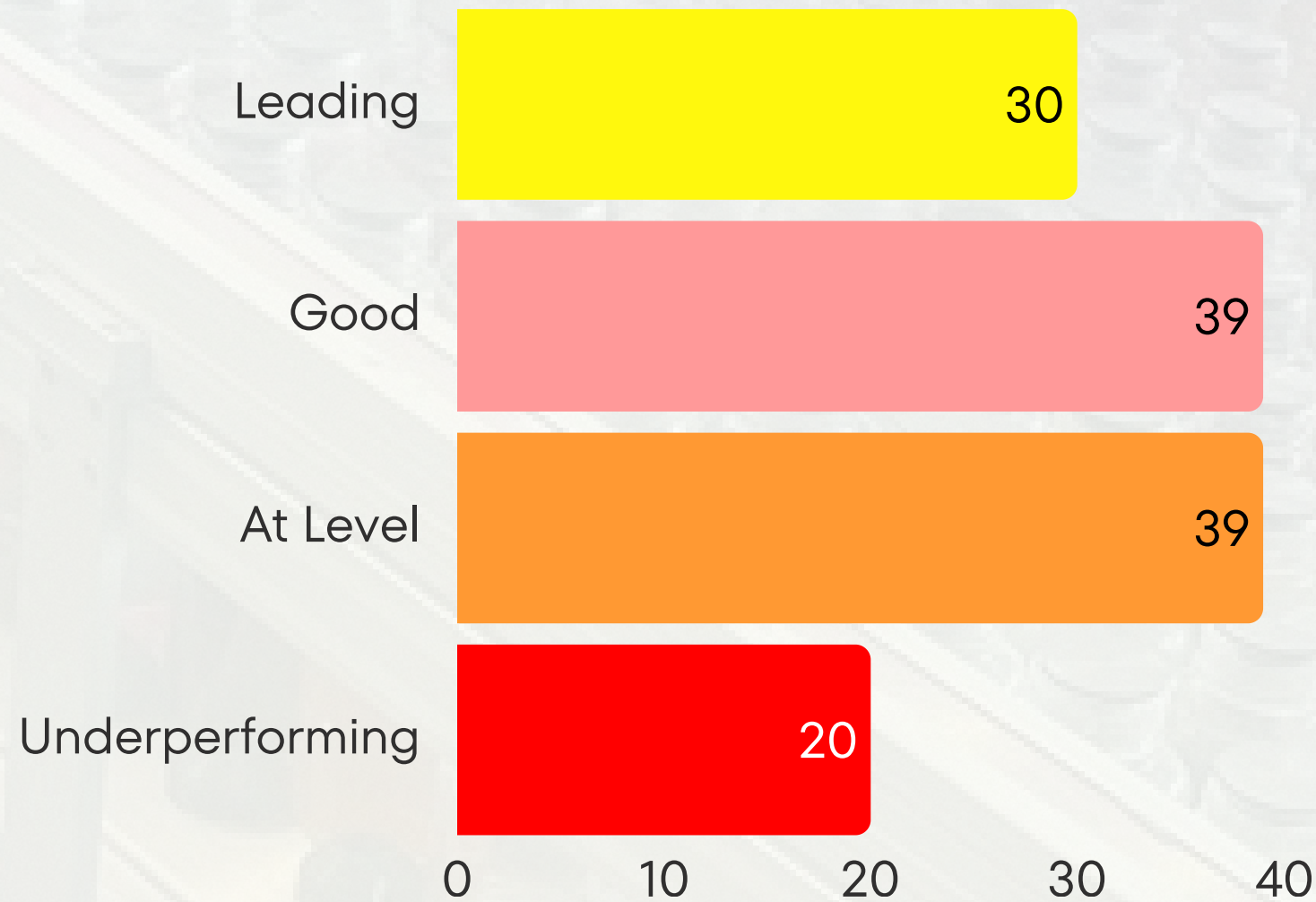
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Dye House Environmental Performance

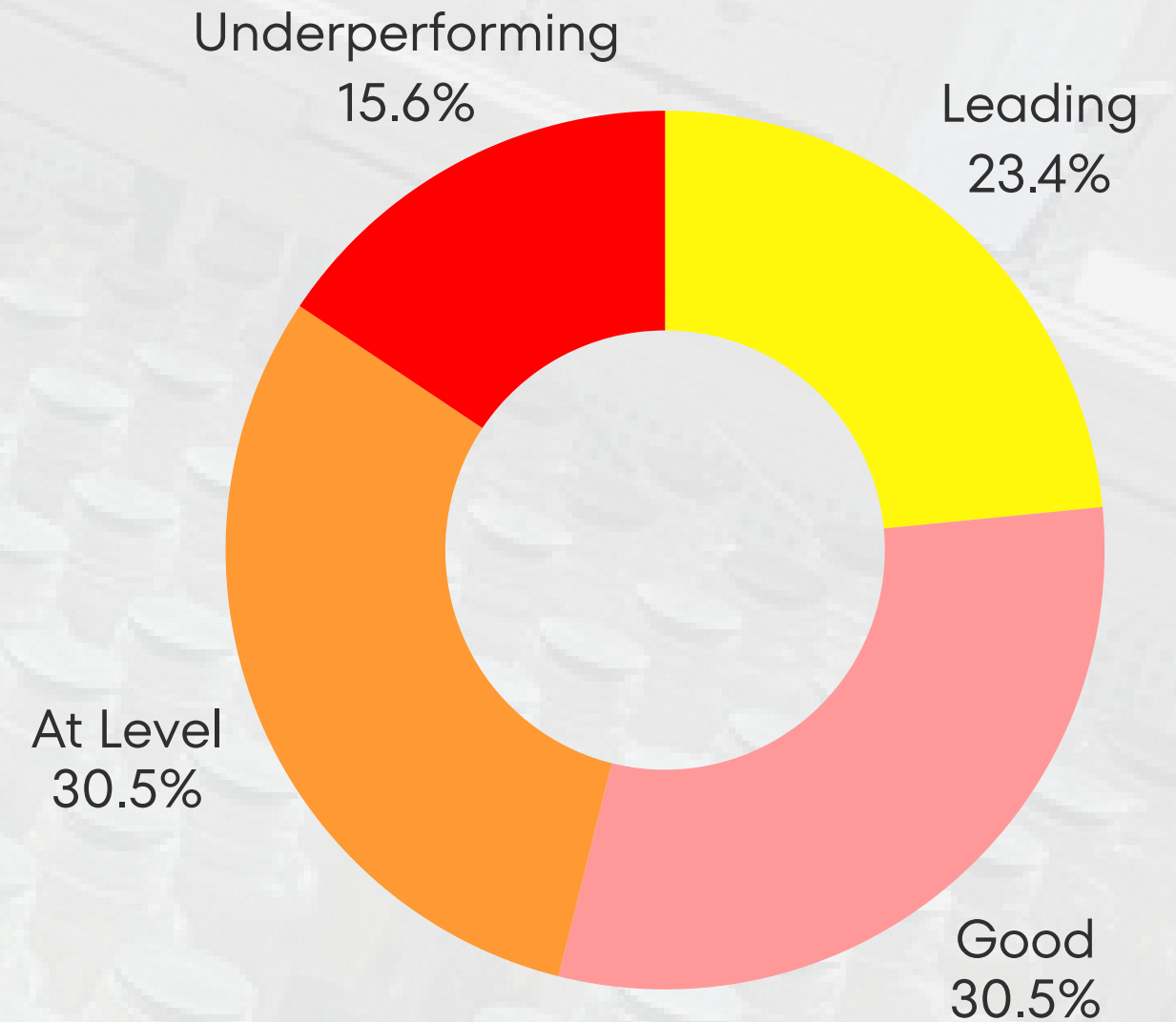
All Fascias: EMP Grades across JD Group Supply Chain

03 EMP RESULTS: GRADES

Number of Dye Houses by Grade



Percentage of Dye Houses by Grade



JD Group

Total dye houses: 128*

* duplicate dye houses, used by multiple JD Group fascias, aggregated

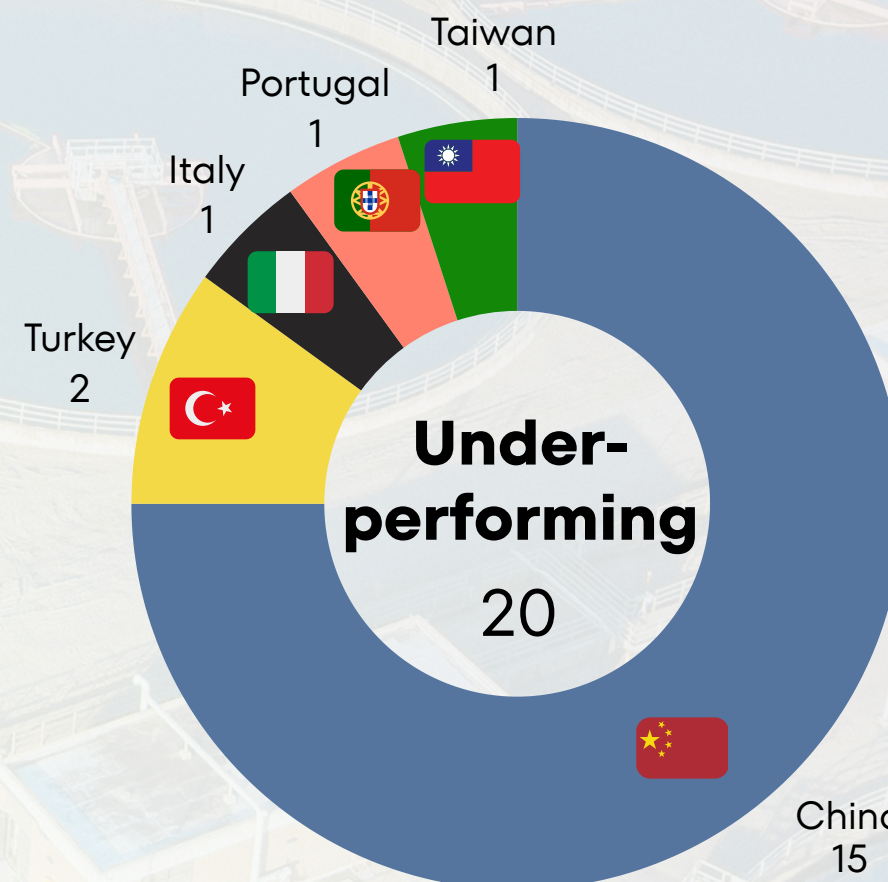
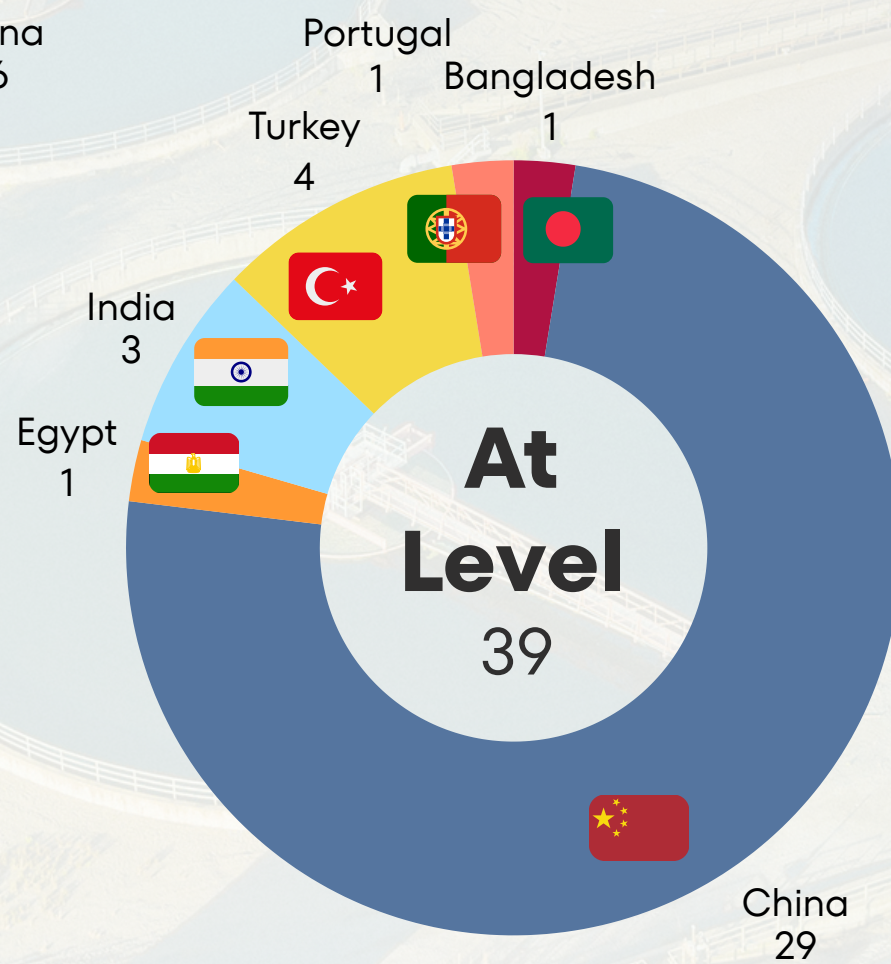
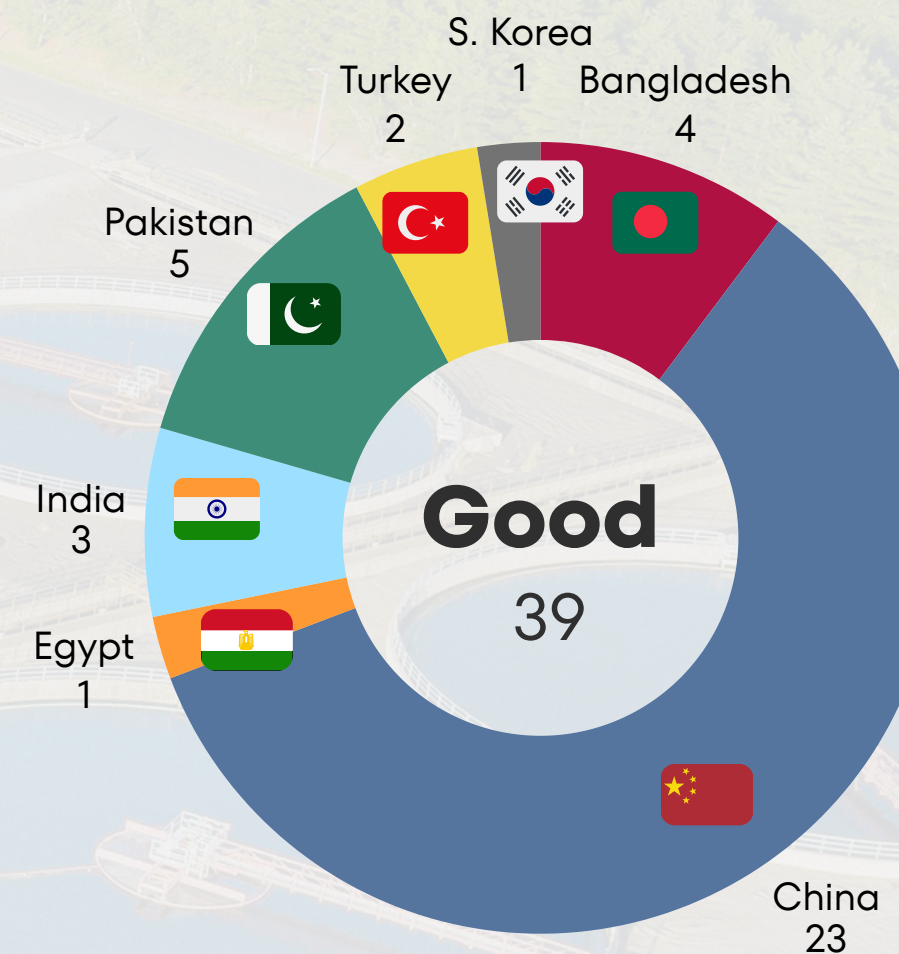
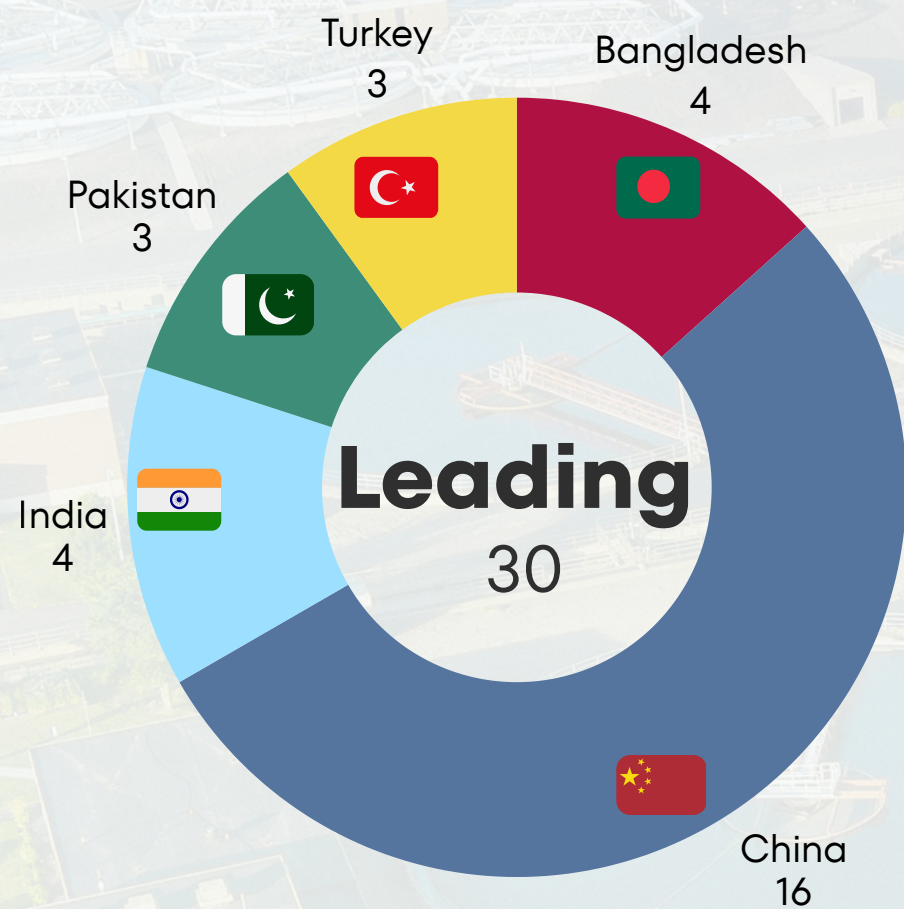
Dye House EMP Performance

Number of Dye Houses by Grade and Location across JD Group Supply Chain

03 EMP RESULTS: GRADES

JD Group

Total dye houses: 128



RENEWABLES, ENERGY & WATER EFFICIENCIES

Use by Dye Houses across JD Group Supply Chain (%)

04 EMP RESULTS:
PROCESSES



As a key pillar of the EMP assessment, we tracked **efficiencies** employed across energy and water management within the dye houses, as well as monitoring use of **renewable energy** sources.

This row chart shows results from across the JD Group supply chain (aggregating results for JD Sports, JD Outdoor, and Sprinter) to demonstrate overall levels of greener practices within our dye houses.

1+ Renewable Energy Source

42.2

2+ Energy Efficiencies

46.9

3+ Water Efficiencies

53.1

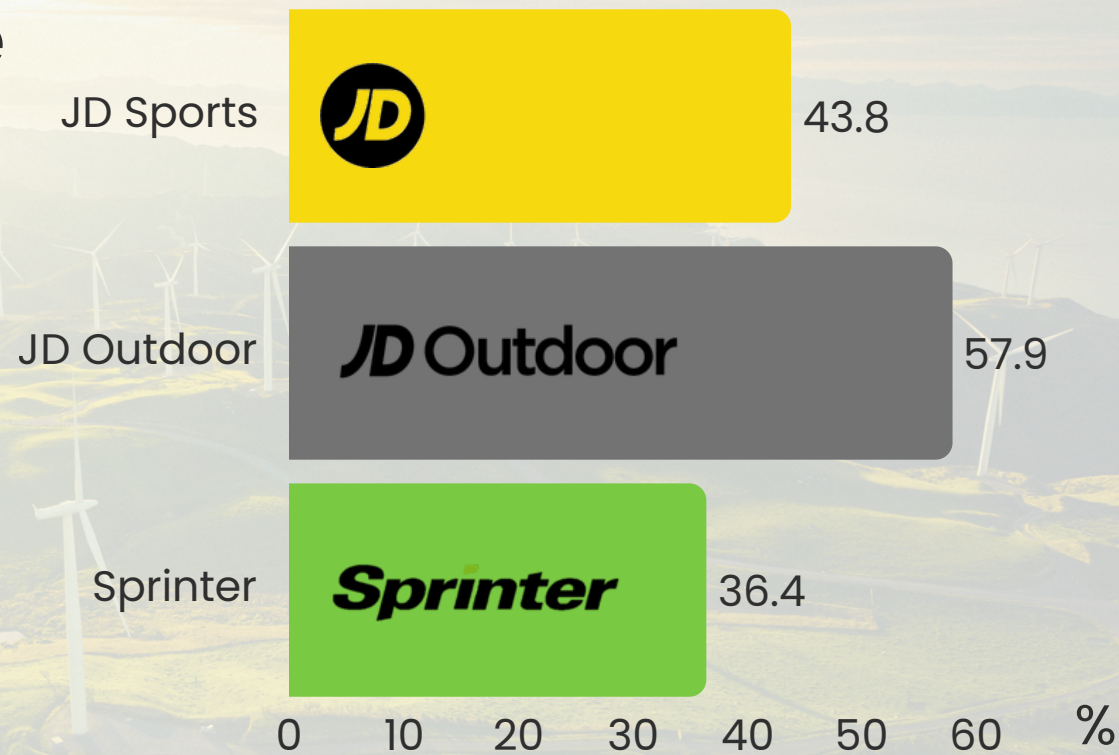
0 10 20 30 40 50 60 %



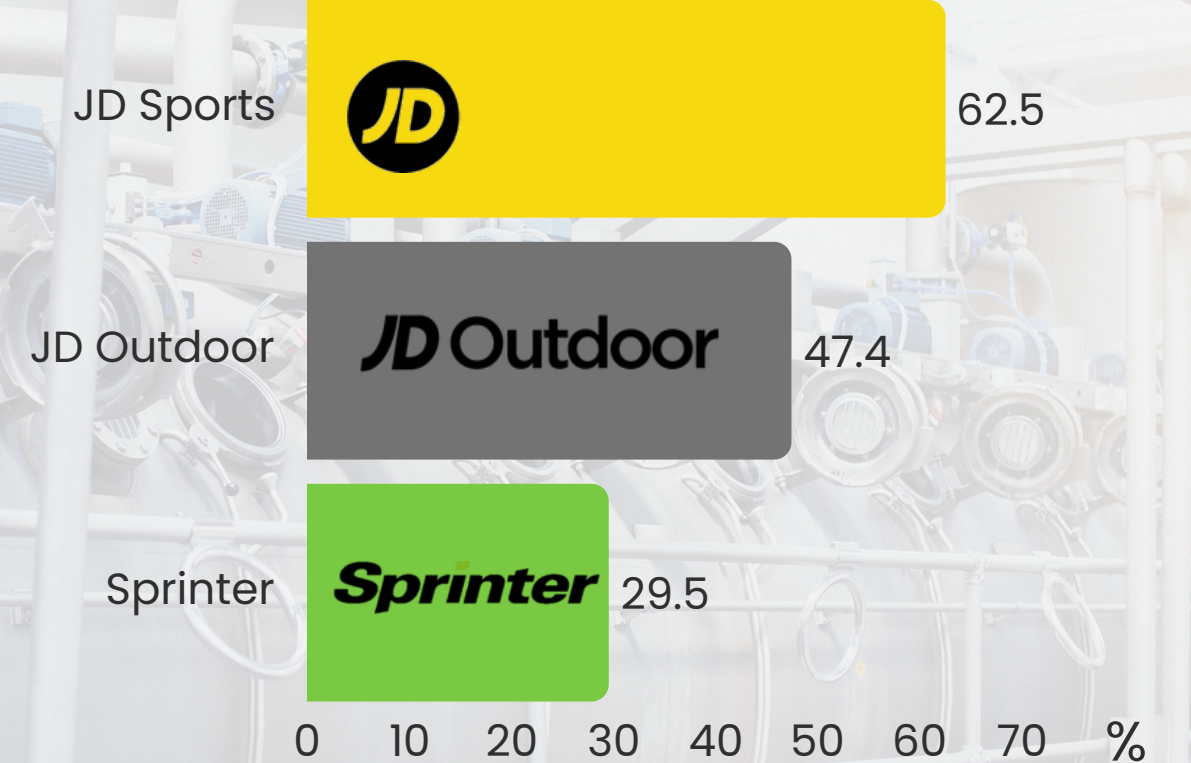
RENEWABLES, ENERGY & WATER EFFICIENCIES

Use by Dye Houses by Fascia Breakdown (%)

1+ Renewable Energy Source



2+ Energy Efficiencies

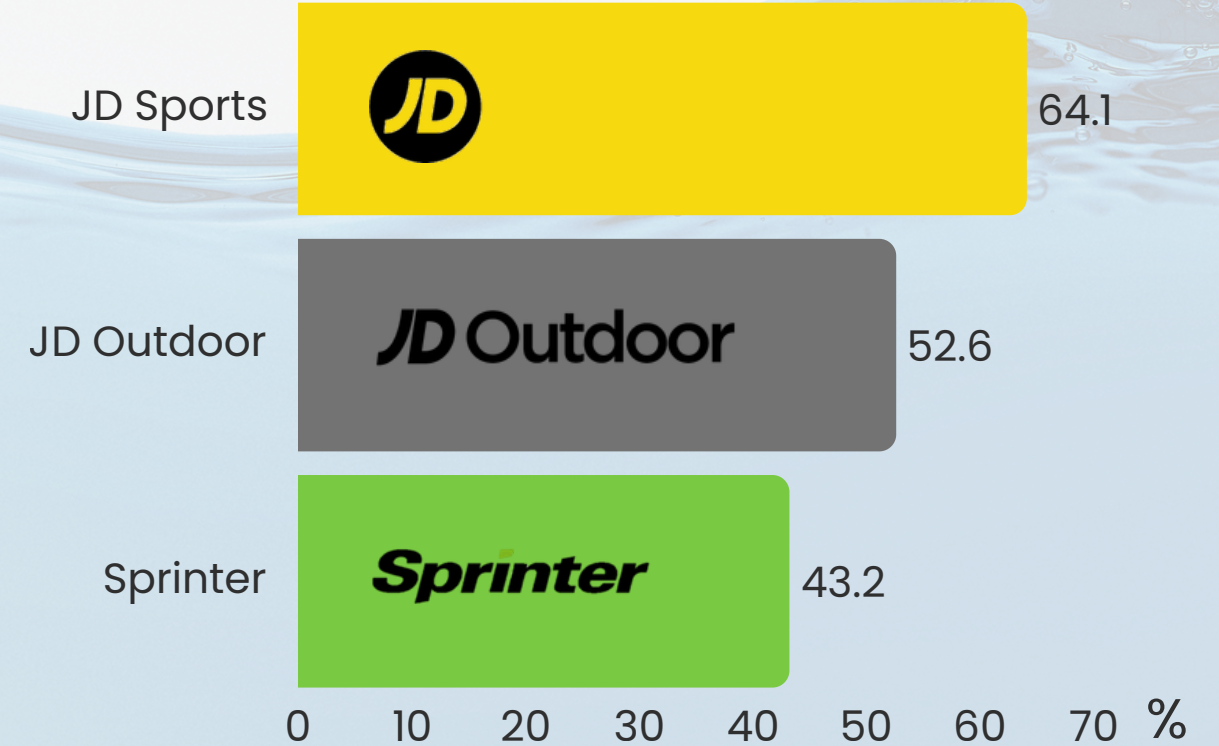


Comparative fascia results are presented for dye houses' energy and water management **efficiency strategies**, and their use of **renewable energy** sources, across JD Sports, JD Outdoor and Sprinter suppliers.

Energy efficiencies include: recovering heat from wastewater; efficient steam trap systems; installing water-tube boilers; metering individual machines for energy usage; automated chemical dosing, using a colour kitchen; and machine insulation.

Water efficiencies include: cooling and condensate water reuse; recycling of wastewater, greywater and rainwater; metering individual machines for water usage; use of counter-current washing; integrated pre-treatment and dyeing processes; and increase in right-first-time dyeing.

3+ Water Efficiencies

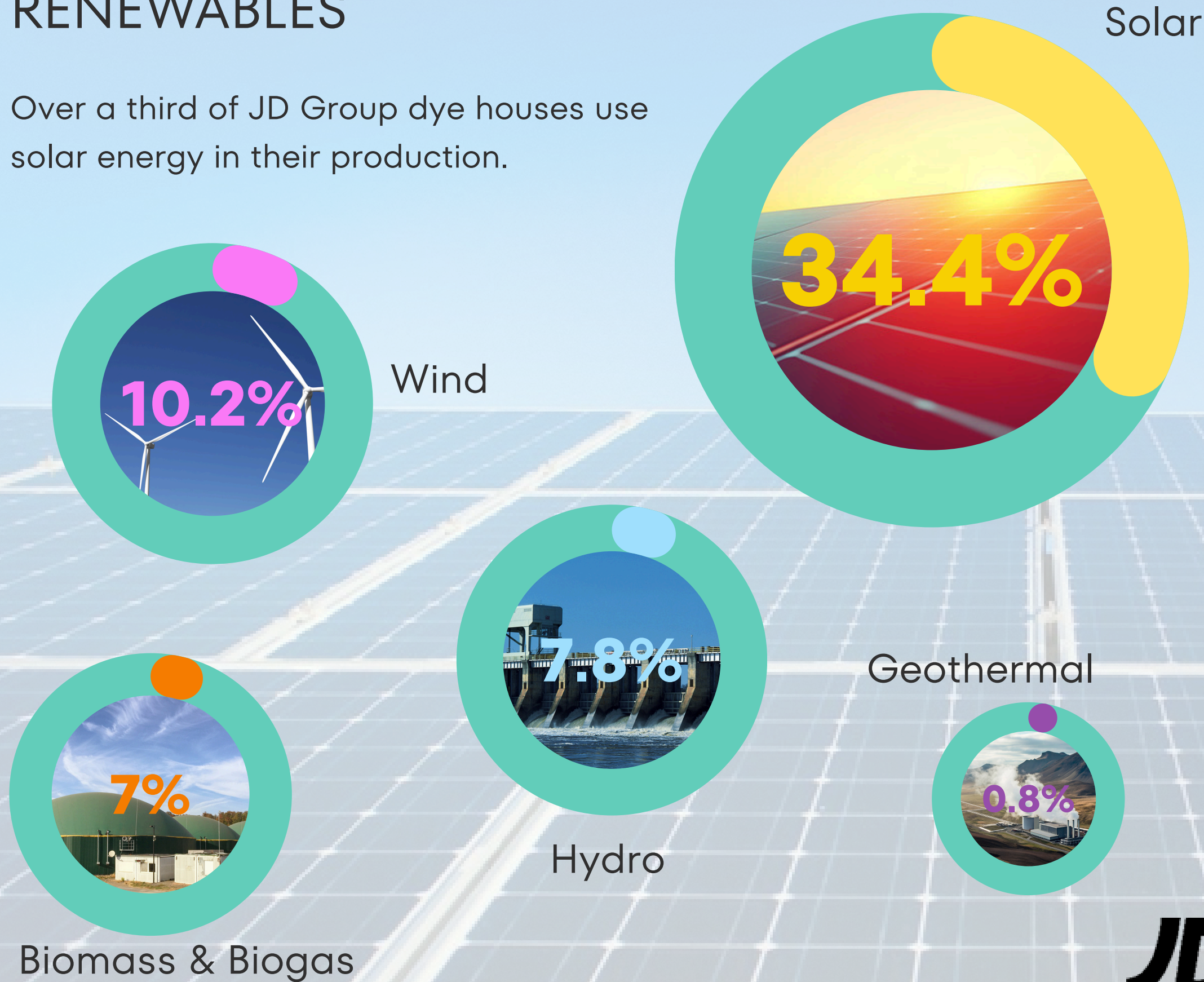


RENEWABLE ENERGY SOURCES & WASTEWATER MANAGEMENT

Use by Dye Houses across JD Group Supply Chain (%)

RENEWABLES

Over a third of JD Group dye houses use solar energy in their production.



WASTEWATER

Over 10% of JD Group dye houses use a **Zero-Liquid Discharge (ZLD)** system for wastewater management and recycling, reducing discharge of polluted wastewater to zero, and producing clean water suitable for reuse.

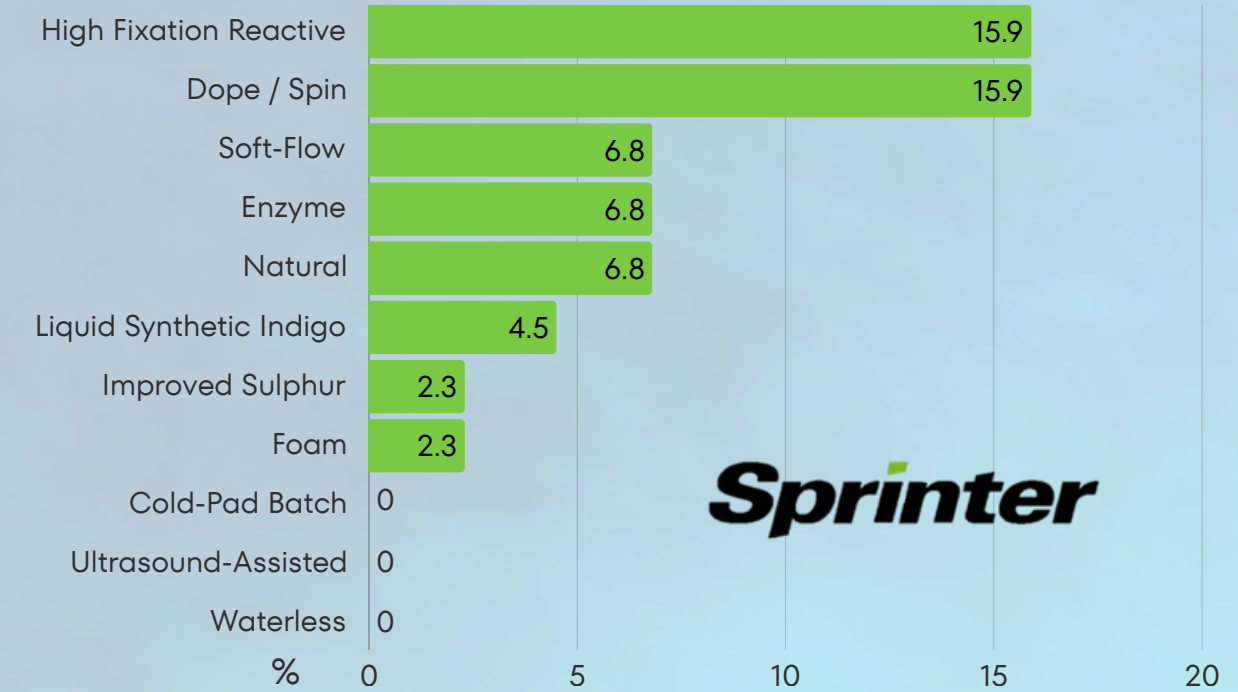
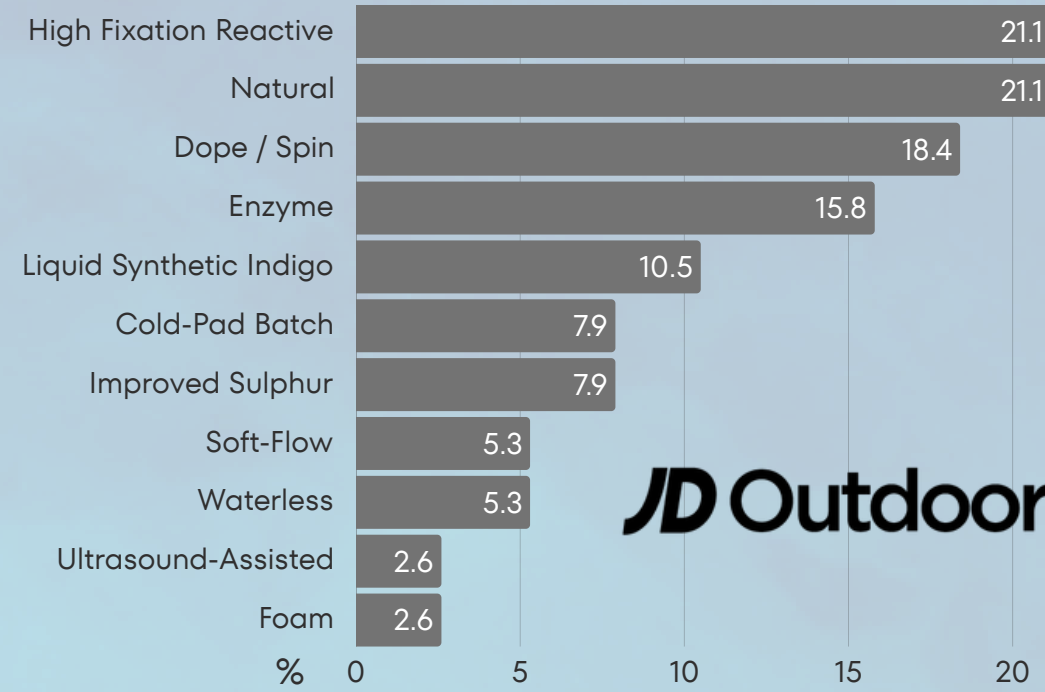
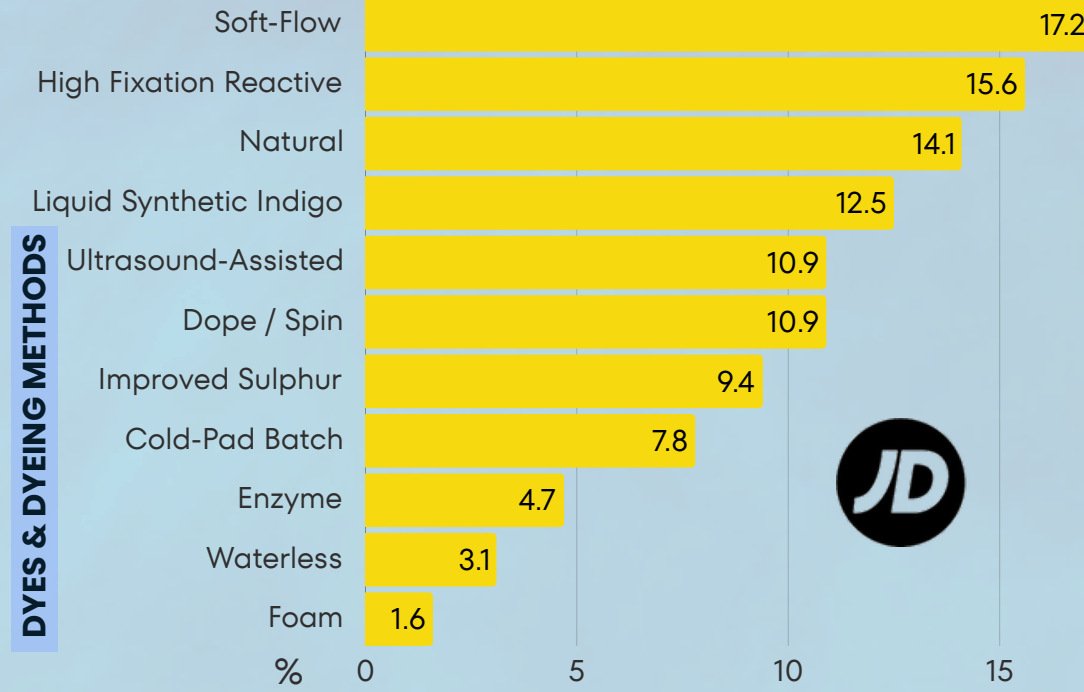


Environmentally Lower Impact Dyeing Processes & Treatments

Use by Dye Houses across JD Group Supply Chain (%)

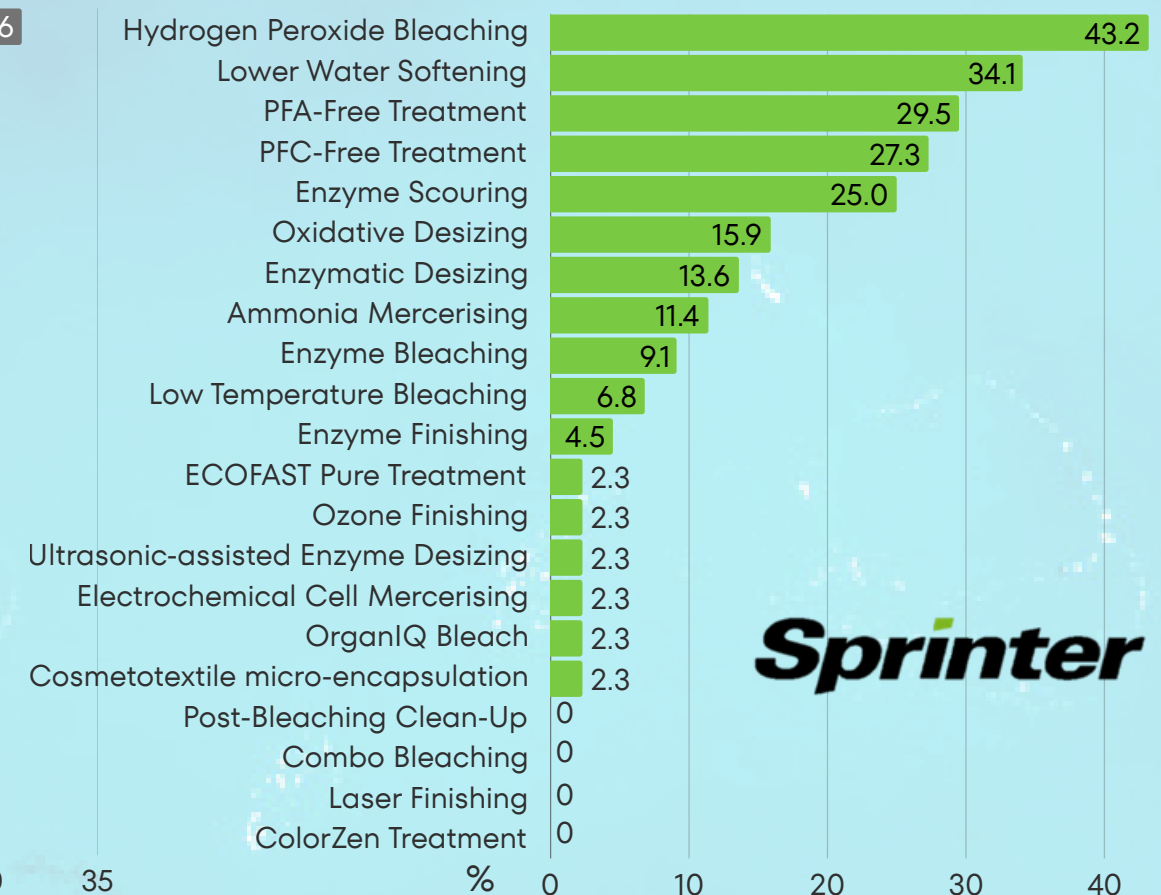
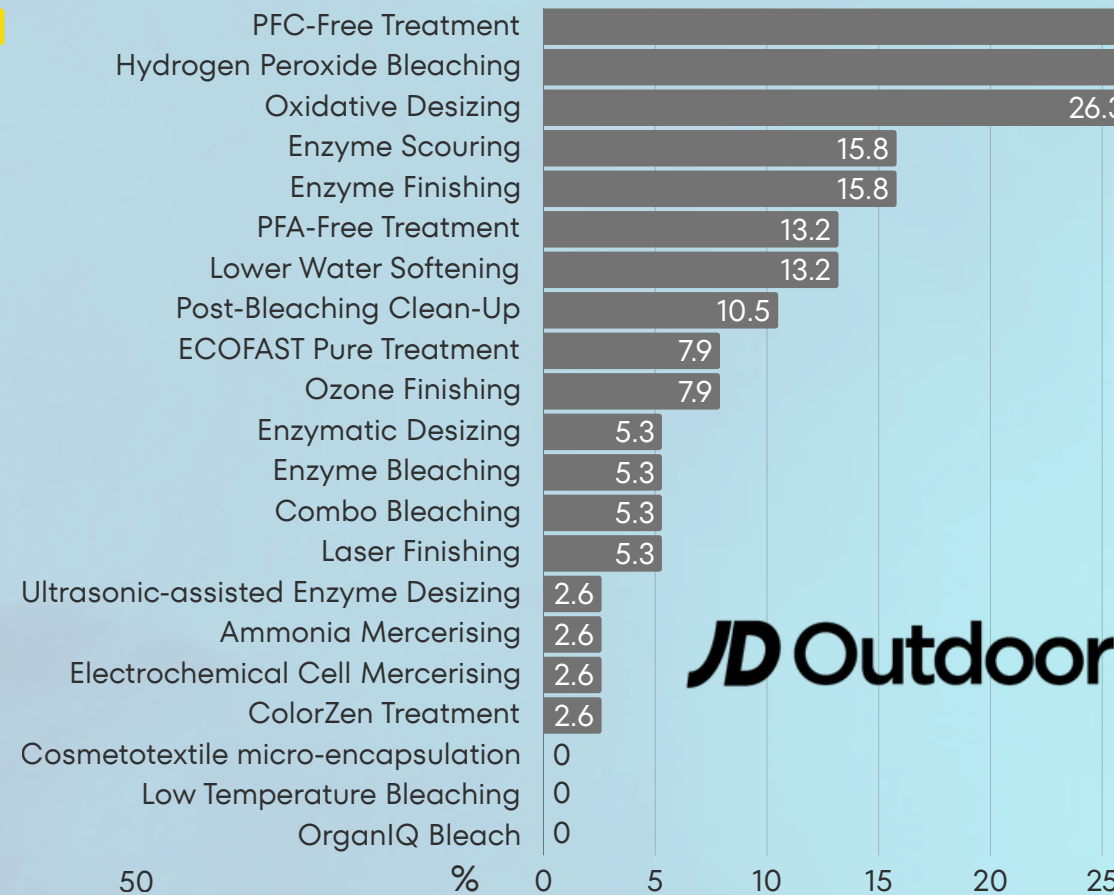
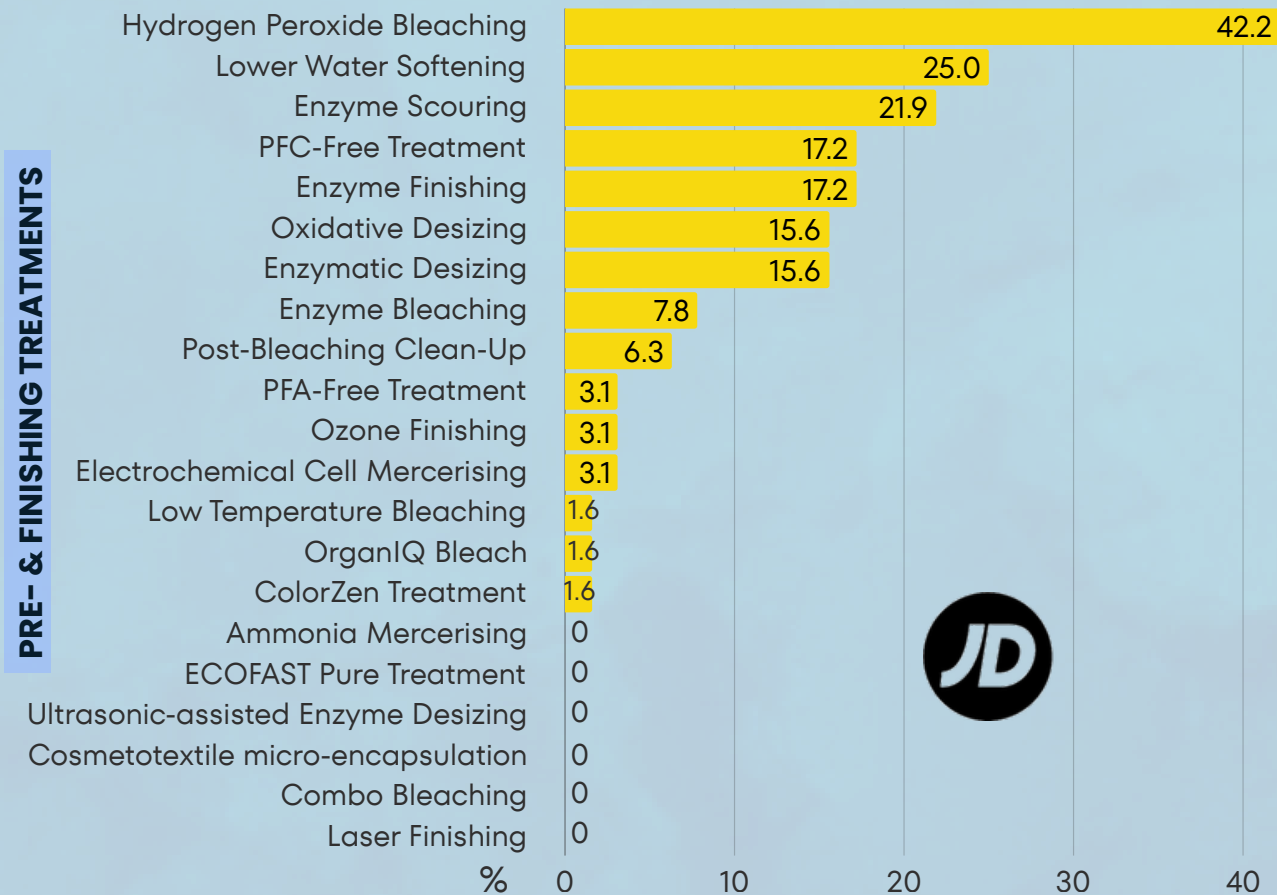
04 EMP RESULTS: PROCESSES

DYES & DYEING METHODS



These row charts show the percentage of dye houses used by JD Group fascias that offer **lower environmental impact dye processes**, **pre-treatments** and **finishing treatments**. Impact assessments of dyeing and treatment processes were established through benchmarking conventional processes and their greener alternatives, where water and energy usage was reduced or exposure to hazardous chemicals and toxic dyes minimised.

PRE- & FINISHING TREATMENTS



JD Group

EPE REVIEW 2025

Performance, Process and Development



EMP Key Performance Metrics

Across JD Group Private Label dye houses:

- 42% use at least one renewable energy source for cleaner production strategies;
- 47% use at least two energy efficiencies to decrease their greenhouse gas emissions;
- 53% use at least three water efficiencies to improve their facility water management;
- 10% use a Zero-Liquid Discharge (ZLD) system for wastewater recycling.

EMP Process: Cycle Successes

- This cycle there has been full engagement from the JD Group supply chain, with all dye house fact sheets completed.
- Supplier guides have been compiled and circulated to formalise EMP guidance and communicate key dates. Positive feedback has been received from suppliers, who now better understand JD Group expectations, timetable and standards. Score cards will continue to be issued to support our suppliers' understanding of their tier facilities' achievement levels and to enable improvement actions, as appropriate.
- As a cycle 'move-on', the EMP assessment requires increased standards for suppliers to achieve the highest levels of environmental leadership. This more accurately identifies top performers and provides an incentive for dye houses to keep increasing their levels of eco performance year-on-year.
- The transparency of our supply chain has broadened and deepened, with better visibility of existing tiers and mapping of new tier facilities. This will assist with our future environmental strategy of widening EMP assessment and grading to tier facilities beyond wet-processing sites.

EPE Development and Targets

- By utilising in-house research and establishing verifiable metrics within our assessments, Private Label have been able to dive deeper into our evaluation of tier facilities' chemical, energy and (waste)water management practices, whilst monitoring air pollutant and greenhouse gas emissions. Through the fact sheets we can now benchmark performance and review progress annually to monitor tier facilities' environmental performance across cycles.
- We will continue with our strategy of conducting data-based environmental assessments across JD's supply chain, to deepen our understanding of suppliers' environmental management practices year-on-year. Through systematic evaluation and sharing of data, we will continue our approach of identifying and promoting innovative sustainable initiatives and lower impact processes that can be applied across our supply base for meaningful cuts in waste and emissions.
- The fact sheets demonstrate our commitment to EPE system improvements. By introducing standardised questions, backed-up with the requirement for suppliers to provide verifiable evidence, we are reducing our reliance on third-party assessment and sector averages.
- We will strive to reduce environmental impacts, across both our immediate operations, and within the local environments in which our supply base operates.
- The EMP remains a key pillar of JD Group's *Cleaner In Production*: a 3- to 5-year programme with objectives to reduce environmental impacts and 'design out' waste. Private Label will continue to work alongside our suppliers, fascias, and Group partners to make measurable progression in reducing our Scope 3 carbon footprint, in line with Group organisational targets.

Environmental Management Programme Development

Future Directions

Progress continues on plans to broaden the reach and impact of Private Label's environmental management programme across JD Group's supply chain. The research and development of more **focused, tier-specific fact sheets** is in progress, to apply a similar 'process-centred' approach to other key production tiers, beyond wet-processing.

Whilst some goals are longer-term (such as mapping equipment tiers), real progress has been made in 2025, with the successful launch of a new footwear fact sheet, as well as the circulation of new tier transparency sheets for spinning mills, denim laundries and embroidery facilities. >>

Re-development of the fabric mill fact sheet is underway as a current priority project. This will enable more granular data gathering at mill spaces, facilitating greater impact in tracking and implementing environmental management best practice.

By extending supplier transparency and environmental monitoring wider and deeper across our supply base, it will enable Private Label to meet JD Group ESG goals and targets for reducing our Scope 3 carbon emissions.

MILLS

Develop existing knitting & weaving fabric mill fact sheet to better track mill processes. Also, create a fact sheet for spinning mills, where environmental footprints are typically higher.



PRINTS

Develop fact sheets for better understanding print processes, assessing both fabric and garment printing production.



DENIM

Create bespoke denim fact sheet to take account of specific denim processes and tiers, to include laundry & wash houses and yarn dyeing.



FOOTWEAR

A fact sheet has recently been launched to capture the complexity of footwear tiers and enable better assessment of a wider variety of shoes, materials and processes.



EQUIPMENT

A longer-term project will be to develop fact sheets to capture the production processes of JD Group's wide variety of non-textile accessories and equipment suppliers.



Alongside our fact sheet data analysis, we currently report dye house **water risk** data to non-profit environmental platform the Carbon Disclosure Project (CDP). As part of our CDP data submission, we utilise tools for analysing supplier water risk, via platforms WWF Water Risk Filter and Aqueduct. We are looking to further develop our framework for managing supplier water risk in line with these platforms, to better identify and understand unique basin or operational risks and assign supplier risk levels. >>

This will enable us to identify higher water risk tier production facilities, and manage these through contextually appropriate actions, in partnership with our suppliers. This strategy progression of our environmental programme will allow us to move closer to our goal of ensuring long-term water-related resilience and bio-diversity protections across JD Group supply chains.



JD Group

Report for internal JD Group use only.

Published October 2025.

EMP data: JD Private Label Social Responsibility team