

During the pandemic, all businesses have faced many challenges, not least economic. However, throughout this period, and as we enter into a post pandemic world, sustainability has remained an important part of our strategy and we will endeavour to deliver and exceed the goals we have set. This applies not only in our private label business but also with our key international brand partners where engagement remains strong. Sustainability is, and will continue to be, an area of significant focus throughout the JD Group for 2020 and beyond through the creativity of our in house design & sourcing teams. Integrating sustainability into the design and manufacturing processes of our ranges will be at the forefront of our 2021 goals.

It is important that we remain focused and that we continue to adapt and improve our knowledge whilst implementing new practices. In this regard, it is critical that we strike a balance between sustainability practices and profitability both for the consumer and long-term shareholder value.

Our consumer is from a generation that has sustainability high on its agenda. The planet is important to all of us; so from the design to the end product, we are giving consideration to the use of sustainable fibres, working to better understand the manufacturing processes of the raw materials and product packaging and constantly striving to implement learned knowledge.

2020 was not the year we had planned for, but it was one that we reacted to. In all of our dealings we have acted with integrity and, working in partnership with the partners in our supply chain, we have avoided cancelling orders. No fabric was left unused with orders re-phased and re-designed. Working together we have exceeded our target of 4 million pieces to be manufactured using sustainable materials, including the elimination of silica gel from our packaging and replacing it with Micro Pak Dri Clay and /or incorporating processes into our manufacturing supply chain which reduce the impact on the environment.

**Looking ahead, 2021/22 will see further progress:**

- Working with the Better Cotton Initiative (BCI), JD Sports are committed to improving cotton farming practices globally. Better Cotton is sourced using a mass balance system which mixes more sustainable cotton (which includes recycled cotton and organic cotton) with regular cotton to ensure the continued viability of the cotton supply chain and its workers. Whilst Better Cotton is not physically traceable to end products, BCI farmers benefit from the demand for Better Cotton in equivalent volumes to those we have currently sourced in our product offering. Our goal is to achieve a target of at least 80% more sustainable cotton in our private label brands by Q3 2022
- All point of sale materials on the garment, including barcodes, to be produced using recycled materials or FSC approved qualities
- We will continue to work to analyse and understand the water risk exposure throughout our supply chain
- Working to further reduce carbon emissions, providing customers and shareholders with more updates on our progress
- In reducing our use of plastic, and ensuring that we select the most appropriate and recyclable materials within our supply chain
- Improving colleague and customer awareness of environmental matters - from sustainability training modules through to packaging and garment labelling