



Re-imagined

BY *J. Crew*

PRODUCT AND PLANET
STRATEGY AND GOALS

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INTRODUCING



Re-imagined

BY *J.Crew*

We are reigniting the J.Crew brand with new designs, assortments and brand expressions—work that is well underway across our business.

As we continue to evolve as a company, what has remained consistent is our commitment to corporate social responsibility, including how we support our factory workers, minimize our impacts on the environment, provide opportunities for our associates to give back and engage with our customers.

We know that this is important both to us at J.Crew and to our customers. We believe that corporate social responsibility and good business go hand in hand, which is why we're excited to share our new Re-imagined pillars:

PRODUCT AND PLANET, RE-IMAGINED

From the people who create our products to the impact we have on the planet, we're committed to doing better at every step of the way—right down to the moment your package arrives at your door.

PEOPLE AND PARTNERSHIPS, RE-IMAGINED

We are inspired by our community of customers, associates and partners, and we are committed to creating opportunities to give back through our volunteer projects and charitable donations in the communities where we work and live.

We know that we can't do this alone, which is why we are leveraging industry groups and partnerships to be part of a bigger conversation and to drive change at scale.

As stated by the United Nations, "Responsible business practices, combined with collaboration and innovation, can bring about powerful change in markets and societies—proving that principles and profits go hand in hand." We have aligned our strategy to the UN's Sustainable Development Goals, a universal language for corporate responsibility that provides a framework to guide all businesses in taking action on the biggest challenges facing our world today.

We are excited to share our goals behind our Product and Planet pillar. These goals are the first step in a journey that is just beginning. We do not have all the solutions, but we are committed to trying to reduce our impacts and drive meaningful change and will share our progress along the way. We will continue to share more information on both pillars over time. If you want to learn more about our progress, policies or programs, please contact us at socialresponsibility@jcrew.com.

From the people who create our products to the impact we have on the planet, we're re-imagining retail for the better at J.Crew. We look forward to you joining us on this journey.

Introduction

RE-IMAGINED GOVERNANCE AND STAKEHOLDER ENGAGEMENT

We are working to embed Re-imagined principles in everything we do. Daily program operations are managed by our corporate social responsibility (CSR) team. This team reports monthly to a CSR Task Force that includes senior executives from every area of the business, including design, sourcing, merchandising, marketing, human resources, legal and others. Each pillar of our CSR program is sponsored by a senior executive, including our Chief Sourcing Officer, and Senior Vice President of Marketing. Our CEO is actively engaged in our efforts and has final approval on all new programs.

To truly integrate CSR into our business, we recognize the need to engage a wide range of stakeholders in our work. We activate company leaders through avenues like our CSR Task Force, and we regularly seek input from a wide range of employees when developing and implementing our programs. Teams are regularly trained on sustainability topics through our Sustainability 101 trainings, which provide a foundation of key sustainability issues that impact our business, including an overview of sustainable fabrics and production.

We engage suppliers through annual vendor summits, where we share updates on our strategy and solicit feedback on our programs. We meet with each new vendor we bring on board to share information about our CSR program and discuss how to best work together in the future.

We actively seek customer feedback on our CSR efforts as well. In 2019, we surveyed over 1,700 J.Crew customers to determine which CSR issues were most important to them, and we used those results to help inform our strategy. We engage with customers individually through our team email account (socialresponsibility@jcrew.com) and pay close attention to our customers' questions and make sure we are addressing their concerns.

Finally, we work with a number of multistakeholder initiatives, industry collaborations and nonprofits including the Sustainable Apparel Coalition, Better Cotton Initiative, Good Cashmere Standard, Sustainable Fibre Alliance, Textile Exchange, Better Work and the AFIRM Group. Through these groups, we contribute to driving industry-level change and ensure that our strategies align with industry best practices and are fit for the future. For more information on our partners, please see Appendix A.

ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) were adopted by all UN Member States in 2015 and provide a shared blueprint for peace and prosperity for people and the planet, now and into the future. We have aligned our Re-imagined strategy with the SDGs so that we can contribute to this collective global vision. In order to have the greatest impact, we are focused on supporting the following six goals:

GENDER EQUALITY

Achieve gender equality and empower all women and girls.

CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all.

DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

Introduction

RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns.

LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.

J.CREW CODE OF ETHICS

Our J.Crew Code of Ethics and Business Conduct (“Code of Ethics”) provides the fundamental underpinning for our ethical and compliant conduct for J.Crew associates. The Code of Ethics defines the way we do business worldwide and serves as a guide to help associates make responsible and prudent business decisions. Each of us at J.Crew is responsible for ensuring that the highest standards of conduct are upheld and encouraged. The Code of Ethics applies to all J.Crew associates and our Board of Directors. While the Code of Ethics applies to our associates and our Board of Directors, we also expect our Suppliers to behave in a manner consistent with and in furtherance of our Code of Ethics. You can view our Code of Ethics online at <https://investors.jcrew.com>.



Product & Planet

STRATEGY & GOALS

From the people who create our products to the impact we have on the planet, we're committed to doing better at every step of the way—right down to the moment your package arrives at your door. This section dives deeper into the commitments that we are making to support our Product and Planet efforts, including how we are re-imagining our fabrics, processes and shopping experience.



Our Fabrics

RE-IMAGINED

From organically grown cotton to responsible cashmere to recycled nylon, we're committed to using fabrics that are better for the planet and the people who produce them.

Our Fabrics, Re-imagined



OUR 2025 GOAL:

100 percent of our key fibers will be sustainably sourced—including 100 percent of our cotton.

The materials used in our garments have a big impact on the planet and its people. That's why we're committed to sourcing 100 percent of our key materials more sustainably by 2025. To get there, we're focusing on the following fiber-specific goals:

- **100 percent of our cotton will come from more sustainable sources by 2025.** This includes certified-organic cotton, recycled cotton and cotton sourced through the Better Cotton Initiative (BCI), a nonprofit dedicated to making global cotton production more sustainable.
- **100 percent of our polyester and nylon will come from more sustainable sources by 2025.** This will mainly be driven by using more recycled materials, but we are also exploring new fibers and technologies to help us reach this goal.
- **100 percent of cellulosic fibers, like viscose, will come from responsible sources,** including responsibly managed forests, recycled fibers and new innovative materials.
- **100 percent of our wool will come from more responsible sources by 2025.** We are aiming to source all wool from farms verified by the Responsible Wool Standard or an equivalent, and we will continue to

drive the use of recycled wool. In addition, we have committed that 100 percent of the cashmere used in our sweaters and nonapparel products will come from certified responsible sources.

- **100 percent of leather will come from facilities certified by the Leather Working Group by 2025,** ensuring environmental stewardship at the leather-tanning level.

See more information below on how we're making progress on these important materials.

PROGRESS

Customers can identify products that contain at least one sustainable material by looking out for the Re-imagined tag on our products and online. Here are some highlights of our efforts so far:

COTTON

Cotton is extremely important to J.Crew. This natural fiber is our number-one raw material by volume and makes up almost 70 percent of our total fiber consumption. We have sourced certified-organic cotton for a number of product lines, including T-shirts, denim and dresses. We have also sourced over 5,000 metric tons of cotton via BCI's Mass Balance System.

Our Fabrics, Re-imagined

Through BCI and its partners, farmers receive training on how to use water efficiently, care for the health of the soil and natural habitats, reduce use of the most harmful chemicals and apply decent work principles.

SYNTHETIC FIBERS

Synthetic materials make up about 14 percent of J.Crew's total fabric footprint, and we have taken many steps to responsibly source these fibers. In 2019, we launched the Ghostnet parka, our most sustainable outerwear ever. Made with ECONYL® nylon, an innovative regenerated nylon yarn made with 50 percent postconsumer nylon waste (like fishing nets and carpet fluff) and 50 percent preconsumer nylon waste (like industrial scraps), this product has so far allowed us to repurpose more than a ton of waste, including 650 pounds of fishing nets. Additionally, the parka's eco-friendly PrimaLoft® insulation is spun from recycled plastic bottles diverted from oceans and landfills. Each coat gives a second life to up to 12 bottles.

We are expanding the use of PrimaLoft materials to other outerwear products as well. In total, we have used over 2.3 million recycled plastic bottles in our PrimaLoft recycled insulation, giving a second life to over 127,215 pounds of plastic.

We also launched an eco swim line containing recycled nylon or polyester.

CELLULOSIC FIBERS

While cellulosic fibers make up less than three percent of J.Crew's total fiber footprint, it is very important that we source them responsibly. That's why we have joined Canopy's CanopyStyle campaign to ensure that cellulosic wood-derived fibers, like viscose, do not come from ancient or endangered forests.

We have also partnered with textile supplier Lenzing to use its TENCEL™ modal, TENCEL™ lyocell and LENZING™ ECOVERO™ fibers in our products. These cellulosic fibers are sourced from responsibly managed forests and turned into fabric using a manufacturing process that limits the chemical, water and energy impacts of these materials.

SILK

We launched a Re-imagined collection that is bluesign® approved, meaning that only safe dyes and chemicals were used. This collection was crafted at a LEED®-certified facility with a manufacturing process that uses less water and energy than a typical factory.

WOOL

We are proud to be working with our Suppliers to drive the adoption of the Responsible Wool Standard and are using the wool in our products, including our men's suiting. We also offer Re-imagined Wool, a machine washable wool that is produced without using chlorine.

LEATHER

We are continuing to drive the use of Leather Working Group leather for our products. We are excited to report progress against this goal in our next update.

CASHMERE

Cashmere is an important fiber for J.Crew, and we are making significant efforts to ensure that it is sourced with respect to the animals, people and planet. In February 2021, J.Crew became the first U.S. retailer to commit to using certified responsible cashmere in all its cashmere sweaters and nonapparel product. To honor the future of this fiber, we are proud to be the first U.S. retailer to join two important organizations addressing cashmere sourcing: the Sustainable Fibre Alliance (SFA) and the Good Cashmere Standard (GCS). We are also proud to support the SFA's efforts to ensure animal welfare, advocate for communities and restore grasslands in Mongolia. We also support the GCS as an independent standard for sustainable cashmere, developed by the Aid by Trade Foundation. Their aim is to improve the welfare of cashmere goats, the lives of farmers and farming communities and the environment in Inner Mongolia. You can learn about the organizations at sustainablefibre.org and thegoodcashmerestandard.org.

Our Fabrics, Re-imagined

A COMMITMENT TO CIRCULARITY

According to the Ellen MacArthur Foundation, circularity builds economic, natural and social capital. It is based on three principles:

- Design out waste and pollution
- Keep products and materials in use
- Regenerate natural systems

We are taking a number of steps toward a more circular fashion system, including the highlights below.

DESIGNING FOR CIRCULARITY

We will train 100 percent of our design team in circular principles in 2021, including reducing fabric and material waste in design and manufacturing.

SOURCING CIRCULAR MATERIALS

Our sustainable materials goal includes a goal to source recycled fibers, particularly polyester and nylon (see page 9). We are already starting to re-imagine certain products, such as our Ghostnet parka made from ECONYL® nylon (regenerated nylon made from fishing nets, carpet fluff and industrial scraps) with PrimaLoft® insulation (spun from recycled plastic bottles). We will continue to introduce recycled materials—particularly those from postconsumer waste—where possible.

EXTENDING THE LIFE OF OUR GARMENTS

Our garments are built to be durable and last for decades. We will further promote sustainable garment use by sharing responsible care instructions with our customers.

PROMOTING FABRIC AND GARMENT RECYCLING

1. We partner with the New York City nonprofit FABSCRAP to recycle our fabric scraps—over 13,917 pounds to date! The scraps are turned into insulation or carpet padding, or are used by students, artists, teachers and designers. We estimate that this partnership has so far saved 67 tons of carbon from being released into the atmosphere, the equivalent of planting 1,588 trees.
2. We donate samples and damaged items to charity through Good360, which partners with socially responsible companies to source highly needed goods and distribute them to nonprofits that support people in need. Through our partnership, we have donated goods that have impacted over 12,000 people around the world.
3. One Warm Coat is a national nonprofit organization that works to provide a free, warm coat to any person in need. Since 2016, J.Crew has partnered with One Warm Coat to help further their mission by collecting coat donations in our stores and at our corporate office. Together with our customers, J.Crew has been able to provide over 21,000 coats to those most in need.

Our Fabrics, Re-imagined

ANIMAL WELFARE

We aim to work with partners who are equally committed to ethical sourcing, including responsible and humane animal welfare practices in the supply chain. In 2019, we released our first corporate Animal Welfare Policy (see Appendix C). We require that all our Suppliers adhere to baseline requirements for the materials used in our products, and those who provide materials of animal origin must meet these additional ethical standards.

LOOKING AHEAD

We are committed to greater transparency, and we are working on tracking our progress and releasing more information on our materials in future reports.

We also recognize that no one company can tackle fashion's sustainability challenges alone, so we are committed to using common tools and driving impact across the broader apparel industry. We're members of the Better Cotton Initiative, Textile Exchange, The Good Cashmere Standard® and the Sustainable Fibre Alliance, who are all driving scalable, industry-wide change around sustainable materials. We will continue to work with these organizations and others to exchange knowledge and best practices.

Our Factories

RE-IMAGINED

We are committed to partnering with mills and factories that are environmentally responsible and Fair Trade Certified™ to ensure that workers are treated well and empowered economically.

Our Factories, Re-imagined



OUR 2025 GOAL:

Over 90 percent of our cashmere and chino collections will be produced in Fair Trade Certified™ facilities.

We aim to empower workers and ensure fair conditions and equal economic opportunities for everyone who manufactures our products. That's why we've partnered with Fair Trade USA® and are committed to that by 2025, over 90 percent of our cashmere and chino collections will be sourced from Fair Trade Certified™ facilities. We will also continue to drive Fair Trade across all product categories to bring positive impacts to workers throughout our supply chain.

Fair Trade Certified factories must adhere to rigorous social, environmental and economic standards to protect the health and safety of the workforce. This means:

- Safe working conditions
- No child or forced labor
- Elimination of harmful chemicals
- Maternity leave and much more

For each product produced in a Fair Trade Certified factory, J.Crew pays a premium that goes directly to a fund run by the people who make our clothes. Each factory forms a democratically elected committee that votes on where this money goes—for example, to fund a daycare center, to build an on-site clinic or as direct cash bonuses.

A COMMITMENT TO ETHICAL SOURCING

At J.Crew, we believe that fair and decent working conditions, the freedom of opinion and expression, and an adequate standard of living are basic human rights. This is why we are committed to sourcing our products in an ethical, responsible and legal manner—and expect our Suppliers to share our core values and to partner with us in our commitment to continuous improvement and in promoting better working conditions.

We do this by holding our Suppliers and ourselves accountable, by identifying issues and their root causes, and by building capacity for positive change. The cornerstones of our program are our Vendor Code of Conduct, our monitoring program and capacity building efforts, as well our multi-stakeholder collaborations.

J.CREW VENDOR CODE OF CONDUCT

The J.Crew Vendor Code of Conduct (“Vendor Code”) is based on the International Labour Organization (ILO) conventions and other internationally recognized labor rights. We expect these standards to be followed by all factories, subcontractors, suppliers and agents who are affiliated with the production of J.Crew goods (“Suppliers”). While J.Crew recognizes that there are different legal and cultural environments in which our Suppliers operate throughout the world, the Vendor Code forms the guiding principles for our Responsible Sourcing

Our Factories, Re-imagined

program. By choosing to do business with J.Crew, Suppliers commit to following our policies including the Vendor Code. As such, adherence to the Vendor Code constitutes a contractual obligation between J.Crew and our Suppliers. The Vendor Code is included in purchase agreements and must be signed before an engagement commences. It is translated into local languages when required. The full Vendor Code is included as Appendix B.

MONITORING FACTORY CONDITIONS

While it's relatively simple to communicate our expectations to our Suppliers, it is more complicated to verify compliance throughout all areas of our supply chain. In order to ensure objectivity, we carefully select independent external firms to conduct both semi-announced and fully unannounced inspections of our manufacturing facilities. We also make sure that each facility will not be inspected by the same third party on a continuous basis in order to ensure integrity.

All new Suppliers are subject to inspection before any purchase orders are placed. Existing factories are inspected based on their compliance performance and overall external risk factors. A typical inspection consists of document review, private worker interviews and a walk-through of the facility to assess worker well-being and workplace health and safety. Where we may deem necessary, we also may employ additional measures such as more in-depth auditing, focused inspections, surveillance or off-site interviews, for example, depending upon the key concerns identified.

IMPROVING WORKING CONDITIONS AT FACTORIES

We believe that sustainable and positive change can only happen in partnership with our Suppliers. To this end, we provide our Suppliers with the tools they need to improve working conditions, including training and in-factory consultations. We also believe that the ability for workers to raise grievances and to collectively address issues and concerns to management are pivotal in improving working conditions. This is why we promote the establishment of worker committees at our factories through our participation in such programs as the Better Work and Fair Trade programs.

Our goal is to work to address issues of noncompliance in a cooperative manner in partnership with our Suppliers. However, in cases where a critical issue of noncompliance is identified or when a Supplier may be unwilling to meet our requirements, despite our efforts and engagement, we will terminate our business relationship where we deem necessary.

INDUSTRY COLLABORATION AND PARTNERSHIPS

Industry collaborations matter when it comes to improving overall working standards and standards of living. While we make sure to work with each of our factories, there are certain issues which only can be most effectively addressed in a collective manner. That is why we partner with several international organizations committed to improving global labor standards and conditions, including the Fair Factories Clearinghouse, Business for Social Responsibility, Better Work and the Sustainable Apparel Coalition. View Appendix A for the full list.

SANDBLASTING

Sandblasting is a finishing process that is primarily used to achieve a worn look for denim. The method involves sand particles being applied to garments under high pressure. The use of sandblasting without proper protective equipment endangers the health of factory workers. To ensure the well-being of the workers who manufacture J.Crew products, we have banned the use of sandblasting for all J.Crew's products.

ZERO-TOLERANCE APPROACH TOWARD FORCED LABOR

At J.Crew, we recognize our responsibility to source our products in a legal, ethical and responsible manner consistent with the highest standards. Our Vendor Code of Conduct, which must be followed by all factories, subcontractors, suppliers and agents who are affiliated with the sourcing and/or production of J.Crew goods, is based on International Labour Organization conventions, in addition to other internationally recognized labor rights standards.

Embedded in our Vendor Code of Conduct is our commitment to our zero-tolerance policy to ensure that no forced labor or

Our Factories, Re-imagined

trafficked persons are being used in any parts of our business or in our global supply chain. Business partners must not use forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise. No employee may be compelled to work through force or intimidation of any form, or as a means of political coercion or as punishment for holding or expressing political views.

Specifically, based on region-wide Withhold Release Order on products made by forced or slave labor in Xinjiang region, issued by U.S. Customs and Border Protection, we prohibit the manufacture of any product or the use of any cotton from the Xinjiang Uyghur Autonomous Region (XUAR) in China, as well as other areas where forced labor is knowingly practiced, including Uzbekistan.

Additionally, we are committed to working with our suppliers, industry groups, governments and other stakeholders to develop strategies to address forced labor throughout the supply chain. We participate in the Retail Industry Leaders Association (RILA), the American Apparel & Footwear Association (AAFA) and with the Mekong Club to help advance human rights worldwide, which includes stopping the practice of forced labor. We also support the Joint Statement published by our industry partners in July 2020.

UZBEK COTTON

J.Crew is aware of and takes very seriously the reports of government-sponsored forced child labor in the harvest of cotton in Uzbekistan. The use of forced child labor is inconsistent with the requirements set forth in J.Crew's Vendor Code. We are firmly opposed to the use of forced child labor in the harvest of Uzbek cotton and are collaborating with a multistakeholder coalition to raise awareness of this very serious concern and press for its elimination. We commit to not knowingly sourcing Uzbek cotton for the manufacturing of any of our products until the government of Uzbekistan ends the practice of forced child labor in its cotton sector.

CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT (SB 657) AND UK MODERN SLAVERY ACT DISCLOSURE STATEMENT 2017

The ILO Forced Labour Convention No. 29 defines "forced labor" as "work or service exacted from a person under threat of any penalty, which includes penal sanctions and the loss of rights and privileges, where the person has not offered himself/herself voluntarily."

According to ILO data, human trafficking is the second most prevalent form of illegal trade in the world, just after the illicit drug trade and equal to the sale of illegal firearms. Sometimes referred to as modern-day slavery, it is also the fastest growing illegal business in the world.

J.Crew strictly prohibits the use of any form of forced labor or the trafficking of persons across all of our company operations and in our global supply chain. In accordance with our Code of Conduct standards, business partners must not use forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise. No employee may be compelled to work through force or intimidation of any form, or as a means of political coercion or as punishment for holding or expressing political views.

PROGRESS

FAIR TRADE

In 2019, we partnered with denim manufacturer Saitex to launch our first Fair Trade Certified™ jeans. Since then, we have partnered with eight suppliers across all categories certified to the Fair Trade standard. By the end of 2021, we expect to have five additional facilities certified to the Fair Trade standard, positively impacting the lives of workers across China, Vietnam, Sri Lanka, India and Pakistan.

Our Factories, Re-imagined

SUPPLIER SUSTAINABILITY

We are leveraging partnerships and tools to measure impacts and drive improvements at scale. This is why we are members of the Sustainable Apparel Coalition (SAC) and use their Higg Index Facility Environment Module (FEM), an industry tool that measures the impacts across seven environmental impact areas, including water, greenhouse gas, chemicals and waste. In 2019, we created a three-year plan around our use of the Higg Index FEM and rolled it out to strategic Suppliers representing over 60 percent of our overall business, as well as key mills and trim Suppliers. We are continuing to scale these efforts and are requiring all Tier 1 facilities to complete this assessment in 2021, in addition to continuing to drive adoption among trim Suppliers and mills. We use these results to baseline our Suppliers' performance, set improvement goals and contribute to our Supplier scorecards, which are used by our sourcing teams to inform business decisions.

CHEMICAL MANAGEMENT

We take a multifaceted approach to managing chemicals in our supply chain and on our products, guided by the AFIRM Restricted Substances List. We require our Suppliers to comply with our Vendor Code, which communicates our chemical safety requirements, and we use third-party testing of products and components of products to monitor compliance with global chemical regulations and J.Crew chemical restrictions.

To supplement these efforts, we ask our cut-and-sew Suppliers and fabric Suppliers to respond to SAC's Higg Index FEM so we can assess chemical management in our supply chain. We are using this data to inform the evolution of J.Crew's chemical management strategy.

LOOKING AHEAD

To meet our Fair Trade goal, we are actively working to have more of our factories Fair Trade Certified™. We are excited to share our progress and offer more Fair Trade Certified products in future reports.

For our broader supply chain, we will continue to monitor working conditions and address risks and opportunities in partnership with our Suppliers. By participating in multistakeholder initiatives and collaborative efforts, we are keeping an eye on emerging issues in the fashion industry and adapting our sourcing and supply chain approach accordingly.



Our Operations

RE-IMAGINED

We want to give customers a way to shop that reflects their (and our) values. That means more energy-efficient stores and distribution centers and more sustainable packaging.

Plus, for every package we ship, we work with UPS to offset the carbon that's produced.

Our Operations, Re-imagined



OUR 2030 GOAL: We will be 100 percent carbon neutral for our operations.

Climate change is one of the biggest issues facing our world, and we want to do our part to combat it. That's why we're committed to being carbon neutral for our own operations by 2030, which includes Scope 1 and 2 emissions in our stores, distribution centers and offices.

PROGRESS

Going carbon neutral means becoming as energy efficient as possible and then offsetting remaining emissions through the purchase of renewable energy. We have started this process by conducting a carbon footprint of our Scope 1 and 2 emissions and are working to reduce those emissions. Our New York City headquarters is in a LEED®-certified building, and we've installed motion sensors and other technology to ensure that we are using energy in our offices efficiently.

All new stores are built with energy-efficient LED bulbs, and we're continuously retrofitting old stores with LED bulbs as well. We're continuing to invest in more energy-efficient technology to reduce emissions, but we're also doubling down on practical energy-reduction practices. For example, it's our policy for all street-front stores to keep their doors closed—this conserves energy by keeping air conditioning and heat in the building.

We've also started off setting our Scope 3 emissions through our partnership with UPS. For every ton of CO₂ a package produces in transportation, an equivalent amount of CO₂ is saved by a verified emission reduction project somewhere in the world. By participating in the UPS carbon neutral program, J.Crew is supporting emissions reduction projects that help mitigate the climate impact of our e-commerce shipping.

Our Operations, Re-imagined



OUR 2025 GOAL:

100 percent of the plastic and paper used for our packaging will be sustainably sourced. This includes a commitment to eliminate virgin plastic from our packaging.

We use packaging throughout our business—from protecting goods as they ship from our factories to helping e-commerce shipments get delivered to your door. We're trying to reduce our packaging footprint wherever possible, using only what we need while making sure items get to you the way you expect them to. For the packaging we do need to use, we're committed to the following:

- **By 2025, 100 percent of the paper used in our packaging will be sustainably sourced.** We will give preference to recycled paper and paper that is Forest Stewardship Council (FSC) certified.
- **By 2025, 100 percent of the plastic used in our packaging will be sustainability sourced and will not contain any virgin plastic.** We will give preference to recycled plastic and continue to explore other environmentally responsible alternatives.

PROGRESS

We've made great progress toward our packaging goal. To start, all of our shopping bags are made from recycled paper and contain at least 40 percent postconsumer recycled content. A majority of our tickets are made with FSC-certified paper, and we are in the process of transitioning the remaining tickets.

All kraft paper packaging, such as belly bands and hangtags, are made with recycled content or are FSC certified.

As for logistics, the cardboard used to transport packages is FSC-certified, and we are exploring incorporating recycled plastic into our poly bags. Finally, at our distribution center in Asheville, North Carolina, our team reuses approximately one-third of inbound boxes for outbound shipments.

Our store receipts are BPA-free.

LOOKING AHEAD

We know that it's not enough to just look at our own operations; we also need to partner with our supply chain partners to reduce Scope 3 carbon emissions at every step of making a garment. That's why we are committed to setting a science-based target, a clearly defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping to prevent the worst impacts of climate change, which we will be sharing in 2021.

As for our waste goal, plastic is one of retail's—and the world's—biggest challenges. We're committed to reducing single-use plastics, phasing out virgin plastics in packaging and raw materials, and partnering with the industry to find collective solutions.



OUR JOURNEY HAS BEGUN

But it is far from over

We know there are many other issues that are in our power to impact positively, including tackling issues deeper in our supply chain and supporting the industry's transition to circularity. By activating our employees, partnering with our stakeholders and listening to our customers, we are developing strategies to address the issues that will have the biggest impact on our products, supply chain and the apparel industry. We are committed to sharing more information as soon as it's available and welcome your feedback at socialresponsibility@jcrew.com.

Appendix

We work with a number of external parties to help drive industry-level change and ensure that our strategies align with industry best practices and are fit for the future. Below is a list of organizations that J.Crew partners with:

APPENDIX A: STRATEGIC PARTNERS

AFIRM GROUP

We are members of the AFIRM Group, whose mission is to reduce the use and impact of harmful substances in the apparel and footwear supply chain. We are proud to use the AFIRM Restricted Substances List to manage chemicals in our supply chain and on our products.

BETTER COTTON INITIATIVE (BCI)

We are proud to be a member of BCI, a nonprofit dedicated to making global cotton production more sustainable. Through BCI and its partners, farmers receive training on how to use water efficiently, care for the health of soil and natural habitats, reduce use of the most harmful chemicals and apply decent work principles. Better Cotton is sourced via a system of mass balance. See bettercotton.org/learnmore for details.

BETTER WORK

We are members of Better Work, a partnership between the International Labour Organization and the International Finance Corporation to improve dialogue and worker engagement in supplier factories. Better Work advisers help create worker committees, establish grievance mechanisms and provide training to factory supervisors. We currently work with Better Work at our factories in Vietnam, Indonesia and Cambodia.

BUSINESS FOR SOCIAL RESPONSIBILITY (BSR)

We are members of BSR, an organization for companies committed to socially responsible business practices that leads initiatives for improving working conditions around the world.

FABSCRAP

FABSCRAP is a nonprofit organization addressing New York City's commercial textile waste. They provide convenient pickup of unwanted textiles from fashion and interior design businesses, and with the help of volunteers, sort material for recycling and reuse.

FAIR FACTORIES CLEARINGHOUSE (FFC)

FFC hosts a software platform that allows participating brands to share factory assessment reports with one another in order to increase transparency in fashion supply chains.

FAIR TRADE USA®

Fair Trade USA enables sustainable development and community empowerment by cultivating a more equitable global trade model that benefits farmers, workers, fishermen, consumers, the industry and the earth. We partner with Fair Trade USA on our Fair Trade Certified™ collections.

GIRLS INC.

The network of local Girls Inc. nonprofit organizations serves girls ages 6–18 at more than 1,500 sites in 350 cities across the United States and Canada. Their research-based programming is delivered by trained professionals who focus on the development of the whole girl—supporting, mentoring and guiding girls in an affirming, pro-girl environment.

GOOD360

Good360's mission is to transform lives by providing hope, dignity and a sense of renewed possibility to individuals, families and communities impacted by disasters or other

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challenging life circumstances. As the global leader in product philanthropy and purposeful giving, they partner with socially responsible companies to source highly needed goods and distribute them through their network of diverse nonprofits that support people in need.

THE GOOD CASHMERE STANDARD®

The Good Cashmere Standard improves the cashmere production on many levels. It covers both the welfare of animals, the protection of nature and the working conditions of farmers and farm workers. It has been developed in close collaboration with animal-rights specialists and independent cashmere-production experts.

HUMAN RIGHTS CAMPAIGN

The Human Rights Campaign is America's largest civil rights organization working to achieve lesbian, gay, bisexual, transgender and queer equality.

ONE WARM COAT

One Warm Coat is a national nonprofit organization that works to provide a free, warm coat to any person in need. They support individuals, groups, companies and organizations across the country by providing the tools and resources needed to hold a successful coat drive. Coats are distributed in the communities where they were collected to children and adults in need, without charge, discrimination or obligation. We hold annual drives to collect coats to support this organization and its mission.

PFLAG

The first and largest organization for LGBTQ+ people, their parents and families, and allies in support of PFLAG's work to create a world where all people are respected, valued and affirmed.

SUSTAINABLE APPAREL COALITION (SAC)

We are a member of the SAC, the creator of the Higg Index Facility Environmental Module—an industry tool that helps us measure and reduce the environmental impacts of our facilities.

SUSTAINABLE FIBRE ALLIANCE (SFA)

J.Crew was the first U.S. retailer to join the SFA, a nonprofit international organization working with the extended cashmere supply chain to promote a global sustainability standard for cashmere production in order to preserve and restore grasslands, ensure animal welfare and secure livelihoods.

TEXTILE EXCHANGE

J.Crew is a member of Textile Exchange, a global nonprofit that works closely with its members to drive industry transformation in preferred fibers, integrity and standards and responsible supply networks. We also participate in Textile Exchange's Responsible Cashmere Round Table, a multistakeholder group formed in partnership with the United Nations Development Programme. This round table is working toward increasing market support for best practices in cashmere production and the development of a standard for farmed cashmere, which is typical of Inner Mongolia.

DONOR'S CHOOSE

A nonprofit committed to making it easy for anyone to help a teacher in need, moving us closer to a nation where students in every community have the tools and experiences they need for a great education.

APPENDIX B: VENDOR CODE OF CONDUCT

The fundamental principles of J.Crew's Responsible Sourcing Program are outlined in our J.Crew Vendor Code of Conduct ("Vendor Code"). The Vendor Code sets forth the essential foundation upon which our program is built. While J.Crew recognizes that there are different legal and cultural environments in which our Suppliers operate throughout the world, the Vendor Code sets forth the guiding principles for our Responsible Sourcing Program, applicable to all Suppliers.

CHILD LABOR

J.Crew Suppliers must not employ workers younger than 15 years of age. However, if the age for completing compulsory education or the minimum working age in the country of manufacture is greater than 15, Suppliers must comply with all other applicable child labor laws and must ensure workers under the age of 18 do not perform work that may jeopardize their health or safety.

FORCED LABOR

J.Crew Suppliers must not use any type of forced, bonded, compulsory or prison labor. Suppliers shall ensure that all employment is voluntary, free from violence, threats, financial penalties or coercion. There shall be no restrictions on movement or withholding of personal documents or deposits. Suppliers must take adequate steps to ensure that workers are not trafficked or otherwise exploited.

DISCRIMINATION

J.Crew Suppliers must not discriminate in employment practices including recruitment, hiring, compensation, training, benefits, advancement, termination or retirement on the basis of race, color, ancestry, national or social origin, religion, gender, marital status, age, sexual orientation, gender identity or expression, disability, political opinion or any other personal characteristics or beliefs.

HARASSMENT AND ABUSE

J.Crew Suppliers must treat all workers with respect and dignity. No worker shall be subject to corporal punishment or physical, sexual, psychological or verbal harassment or abuse. Suppliers shall not use monetary fines as a disciplinary practice.

WAGE AND BENEFITS

J.Crew Suppliers must comply with all applicable laws and regulations relating to wages and benefits. Workers shall be paid at least the minimum wage or a wage that is consistent with prevailing local industry standards; whichever is higher. Overtime work shall be compensated at the premium rate as is legally required. Compensation must be provided at least monthly and should be provided without illegal or inappropriate deductions or penalties.

HOURS OF WORK

J.Crew Suppliers must comply with all applicable laws and regulations relating to hours of work. Except in extraordinary business circumstances, workers shall not be required to work more than 60 hours per week (including overtime). Suppliers shall provide workers with at least one day off every seven-day period.

FREEDOM OF ASSOCIATION

J.Crew Suppliers must recognize and respect the rights of workers to freedom of association and collective bargaining. Where such rights are not provided by law, Suppliers should take steps to provide an open means of communication with workers.

HEALTH AND SAFETY

J.Crew Suppliers must comply with all applicable laws and regulations governing workplace health and safety. Suppliers shall provide their workers with a clean, safe and healthy work environment. The same applies for dormitory facilities, where provided.

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LAWS AND REGULATIONS

J.Crew Suppliers must operate in full compliance with all applicable local, national and international laws, standards and regulations relevant to the conduct of their business.

CUSTOMS AND SECURITY

J.Crew Suppliers must comply with all applicable local, national and international customs laws including those prohibiting transshipment. Suppliers shall implement security measures consistent with the recommendations set forth by the Customs Trade Partnership Against Terrorism.

ENVIRONMENTAL STANDARDS

J.Crew Suppliers must adhere to applicable local, national and international laws and regulations regarding the protection and preservation of the environment.

SUBCONTRACTING

J.Crew Suppliers must not subcontract any portion of the manufacturing process without prior written approval from J.Crew. As a condition of approval, subcontractors shall agree to comply with the Vendor Code.

TRANSPARENCY

J.Crew is committed to working with Suppliers who are open and honest with us. J.Crew Suppliers shall maintain complete and accurate records and information so that compliance can be effectively assessed. Suppliers must not falsify or understate any aspects of their operations to J.Crew or our representatives. Suppliers must not coach employees on how to answer questions or respond to inquiries by J.Crew or our representatives.

MONITORING AND COMPLIANCE

J.Crew reserves the right to conduct announced and unannounced inspections of all manufacturing facilities. Suppliers should ensure that the requirements in this Vendor Code are understood and implemented at every level and must maintain all documentation necessary to demonstrate compliance with the J.Crew Vendor Code. Suppliers must allow representatives of J.Crew full access to facilities, documents and workers. Suppliers shall submit an improvement plan to address any issues of noncompliance that may be found during the course of compliance inspections. J.Crew reserves the right to terminate its business relationship with any Supplier who is unwilling or unable to comply with the provisions set forth herein.

APPENDIX C: ANIMAL WELFARE POLICY

At J.Crew, we believe in delivering the best possible products to our customers while honoring our broader commitment to social responsibility. We continually work to ensure that we are sourcing the materials for these products responsibly, constantly keeping in mind the quality of our products and the values of both our customers and our company. We aim to work with partners who are equally committed to ethical sourcing, including responsible and humane animal welfare practices in the supply chain.

We aim to work with suppliers who adopt industry-best practices that are based on the internationally recognized Five Freedoms. The Five Freedoms are also the guiding principles behind our Animal Welfare Policy.

We require that all our Suppliers adhere to the following baseline requirements for the materials allowed for use in our products, and for those who provide materials of animal origin, they must meet the standards for ethically sourced materials.

FUR-FREE

J.Crew prohibits the use of fur in our products. We define fur in accordance with the Fur Free Retailer definition as being: “Any animal skin or part thereof with hair or fur fibers attached thereto, either in its raw or processed state or the pelt of any animal killed for the animal’s fur. ‘Animal’ includes, but is not limited to, mink, fox, rabbit, karakul lamb and raccoon dog. ‘Fur’ shall not include:

1. Such skins as are, or are to be, converted into leather or which in processing have, or shall have, the hair, fleece or fur fibers completely removed
2. Materials clipped, shorn or combed from animals, such as fleece, sheepskin or shearling
3. Leather or hair attached to skin that is typically used as leather, e.g. cowhide with hair attached
4. Synthetic materials intended to look like fur.”

Any hair, fleece or shearling used must be a byproduct of the meat industry, as outlined in our leather requirements below. We also ensure that faux fur is coming from non-animal sources through our fiber content testing program.

DOWN

J.Crew does not currently source any down for our products. If we chose to do so in the future, all down will have to be Responsible Down Standard certified or meet an equivalent standard for animal welfare.

LEATHER

All leather must be a byproduct of the meat industry.

EXOTIC-SKINS-FREE

J.Crew does not use real exotic animal skins, including but not limited to: snake, alligator, crocodile, lizard, fish or marine mammals.

ANGORA-FREE

J.Crew will not produce goods that contain angora or rabbit hair unless and until we can identify a source that meets our animal welfare standards.

WOOL

J.Crew supports the use of wool that is sourced from humanely raised and treated sheep. We are committed to sourcing wool certified to Textile Exchange’s Responsible Wool Standard or equivalent standards, in our products where possible. We also will not produce goods that contain mohair until we can identify a source that meets our animal welfare standards.

CASHMERE

J.Crew is the first U.S. retailer to join the Sustainable Fibre Alliance, a nonprofit international organization working with the extended cashmere supply chain to promote a global sustainability standard for cashmere production in order to preserve and restore grasslands, ensure animal welfare and secure livelihoods.

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We are also members of Textile Exchange's Responsible Cashmere Round Table, a multistakeholder group formed in partnership with the United Nations Development Programme. This round table is working toward increasing market support for best practices in cashmere production and the development of a standard for farmed cashmere, which is typical of Inner Mongolia.

ENDANGERED SPECIES

J.Crew prohibits the use of any protected, threatened or endangered species including, but not limited to, species appearing in:

- The Convention on International Trade in Endangered Species
- The International Union for Conservation of Nature's Red List as critically endangered, endangered or vulnerable
- The Endangered Species Act