

JCPenney Releases 2017 Corporate Social Responsibility Report

PLANO, Texas - (Nov. 8, 2017) - JCPenney announced today the release of its 2017 Corporate Social Responsibility Report, highlighting the Company's sustainability and community efforts across its operations worldwide. The report, which details activities for fiscal years 2015 and 2016, illustrates the Company's ongoing commitment to the highest level of corporate citizenship.

For the 2017 report, JCPenney partnered with Texas A&M University's 180 Degrees Consulting group to learn the latest stakeholder expectations for CSR reporting. A team of six students from the group performed analysis to identify industry standards when reporting CSR data, and made suggestions to the Company based upon their findings. The group's key recommendations drove the initial ideation of, and inspiration behind, the framework of the 2017 report, which summarizes each Company commitment using four pillars: our people, our communities, our products and our planet.

"The Golden Rule has guided every customer interaction at JCPenney for over a century, and we understand the importance of applying a similar ideology to our global efforts in social responsibility and environmental sustainability," said Marvin R. Ellison, chairman and chief executive officer at JCPenney. "We recognize the important role we play in being a responsible employer, neighbor and community advocate, and acknowledge the significance of positively connecting with younger consumers who share these values."

The [online report](#) outlines Company achievements in a variety of categories, including:

- **Diverse Workforce** - As of 2016, more than half of the JCPenney associate population are minorities, and the progression is positively represented at all levels within the Company, including the executive team. In fact, Ellison is one of only five African-American CEO's in the Fortune 500. Moreover, from 2013 to 2016, the percentage of ethnic minorities employed at JCPenney increased from 46 percent to 51 percent, and women have represented 80% of the total associate base since 2013.
- **Community Relations** - In 2015 and 2016, JCPenney associates logged more than 67,700 volunteer hours, donating their time and skills to benefit local non-profit organizations. Associates also completed more than 800 volunteer projects in support of National Volunteer month within the same period. What's more, through the Company's "Change for the Better" giving campaign, JCPenney associates gave more than \$3.5 million to 6,200 local non-profits across the country.
- **Responsible and Ethical Sourcing** - J. C. Penney Purchasing Corporation (JCPPC) is one of the largest and most experienced importers of textiles and apparel in the United States, enabling JCPenney to purchase merchandise from nearly 2,600 domestic and foreign suppliers. The Company's Social and

Environmental Responsibility teams - located in buying and quality assurance offices around the world - work with an industry-leading third-party auditor to conduct compliance audits of factories producing JCPenney private brand apparel. In fiscal years 2015 and 2016, our third-party provider conducted over 2,000 social audits, and, in 2016, we extended this effort to include textile mills, completing over 100 assessments to help improve mill conditions.

- **Energy Conservation** - In 2015, JCPenney set an aggressive energy and greenhouse gas emissions goal to reduce Scope 1 and Scope 2 greenhouse gas emissions per sq. ft. 15 percent by 2020. Just two years into the journey, JCPenney surpassed the goal by reducing emissions 19.6 percent, a decrease driven largely by behavior change and a robust Company-wide energy management system utilized in nearly 840 stores. As part of its ongoing energy management efforts, JCPenney continues a long-standing partnership with the U.S. Department of Energy's ENERGY STAR™ program. The Company has received ENERGY STAR's Partner of the Year, Sustained Excellence designation for ten consecutive years, and proudly displays the ENERGY STAR logo at over 650 ENERGY STAR certified buildings throughout the Company.
- **Responsible Recycling** - JCPenney is making efforts to significantly reduce waste by recycling 85% of the Company's annual domestic waste by 2020. Through this promise, JCPenney has increased its recycling rate to 80 percent in 2016, up nine percent since 2014. Plus, the Company recycled 74,000 tons of waste in 2016 alone, while decreasing waste to landfill by 5,000 tons from 2014 to 2016. Furthermore, in 2015 and 2016, JCPenney recycled approximately 147,000 tons of waste, which equals approximately 80 percent of total waste from the Company's operations.

Ongoing Ambitions

In 2015, JCPenney adopted a goal to reduce total water consumption across U.S. operations five percent by 2020 (2014 baseline). The Company is making strong progress toward the goal through a combination of engineered solutions and behavior change. As a result of these efforts, JCPenney has reduced domestic (in-store) water consumption by 12 percent from 2012 to 2016, and reduced landscape irrigation during the same time period by 66 percent.

For more information, please review the [2017 Corporate Sustainability Report](#) by visiting the **Company Info** page under the **Corporate Overview** section of jcpenny.com.

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About JCPenney:

J. C. Penney Company, Inc. (NYSE: JCP), one of the nation's largest apparel and home furnishings retailers, combines an expansive footprint of approximately 875 stores across

the United States and Puerto Rico with a powerful e-commerce site, jcp.com, to connect with shoppers how, when and where they prefer to shop. At every customer touchpoint, she will get her Penney's worth of a broad assortment of products from an extensive portfolio of private, exclusive and national brands. Powering this shopping experience is the customer service and warrior spirit of over 100,000 associates across the globe, all driving toward the Company's three strategic priorities of strengthening private brands, becoming a world-class omnichannel retailer and increasing revenue per customer. For additional information, please visit jcp.com.

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