

Corporate Responsibility Impact Report

Fiscal Year 2022

JOANN



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A Letter from Our CEO

Founded in 1943 as a single retail store, JOANN has grown from a family-owned company to become the nation’s category leader in sewing and fabrics and one of the fastest growing competitors in the arts and craft space. We have done this by never losing sight of what matters most – our customers, our Team Members and our community.

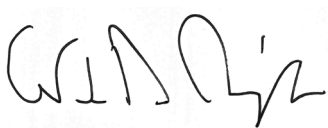
As we look to address the opportunities and challenges of the future, we are building on this long-held commitment to people and community by connecting the products and services we provide with an increased focus on environmental sustainability and social impact. With an expanded approach to corporate responsibility, we believe we can inspire creativity in our Team Members and our customers and have a lasting and positive impact on the communities where we do business.

We find ourselves at a critical moment in time. The impacts of climate change are being acutely felt around the world. With stores spread across the nation and a network of suppliers that span the globe, we believe that JOANN can leverage our own operations and work throughout our value chain to reduce our environmental footprint, assist our customers in meeting their personal climate goals, and help mitigate the negative impacts a changing climate has on so many communities.

Our focus on social impact is equally as important. At JOANN, we are committed to inspiring creativity in ourselves and our customers and helping everyone find their happy place. We live in an inherently creative and diverse world and JOANN is proud to help our expansive customer base with their bespoke creations. The creative people who shop in our stores come from every walk of life and span all ages, demographics, and skill levels. In many instances, these customers are making something to give to someone else. And this sense of giving is at the heart of who we are at JOANN, strongly informing how we are looking to the future.

To help us bring this increased focus on environmental sustainability and social impact together, we are launching our EVERGREEN strategy. EVERGREEN is our integrated, iterative approach to becoming an even better corporate citizen tomorrow than we are today. Through our EVERGREEN strategy, we are moving forward in our uniquely JOANN way – by being authentic to who we are and what we stand for as a company. For us, this work is not about simply meeting expectations and checking off boxes. Instead, we are building our EVERGREEN strategy in a way that embodies our commitment to people and community.

As you read through this report, I am excited for you to see how these values are woven into our EVERGREEN strategy, how we plan to put this into action, and how this expanded effort can help us make the world a happier, more creative place.



Wade Miquelon



About JOANN

For more than 75 years, JOANN has inspired creativity in the hearts, hands, and minds of its customers. From a single storefront in Cleveland, Ohio, we have grown to become the nation’s category leader in sewing and fabrics and one of the fastest growing players in the arts and crafts industry.

With stores spread across the nation and a robust e-commerce business, JOANN serves as a convenient single source for all the supplies, guidance and inspiration needed for any project or passion. Our approximately 22,000 full-time and part-time Team Members – many of whom are sewing and crafting enthusiasts themselves – work hard to help every customer find their creative Happy Place.

Being a good corporate citizen has long been an important part of JOANN’s identity. Whether it’s knitting hats for unhoused persons, crafting a scrapbook for a family member, or creating blankets for those in need, our Team Members and customers are inspired by making to give. The corporate responsibility strategy outlined in this report is shaped by this and builds on our goal of continuously supporting and celebrating those who give back and inspire others to use their hands, hearts, and minds for the good of other people, our planet and our communities.

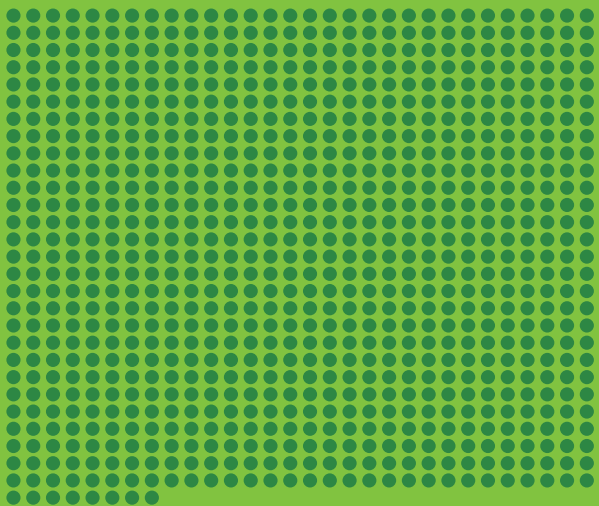


HUDSON, OHIO

HEADQUARTERS

22,000+

TOTAL EMPLOYEES



\$2.4 BILLION

NET SALES FY2022

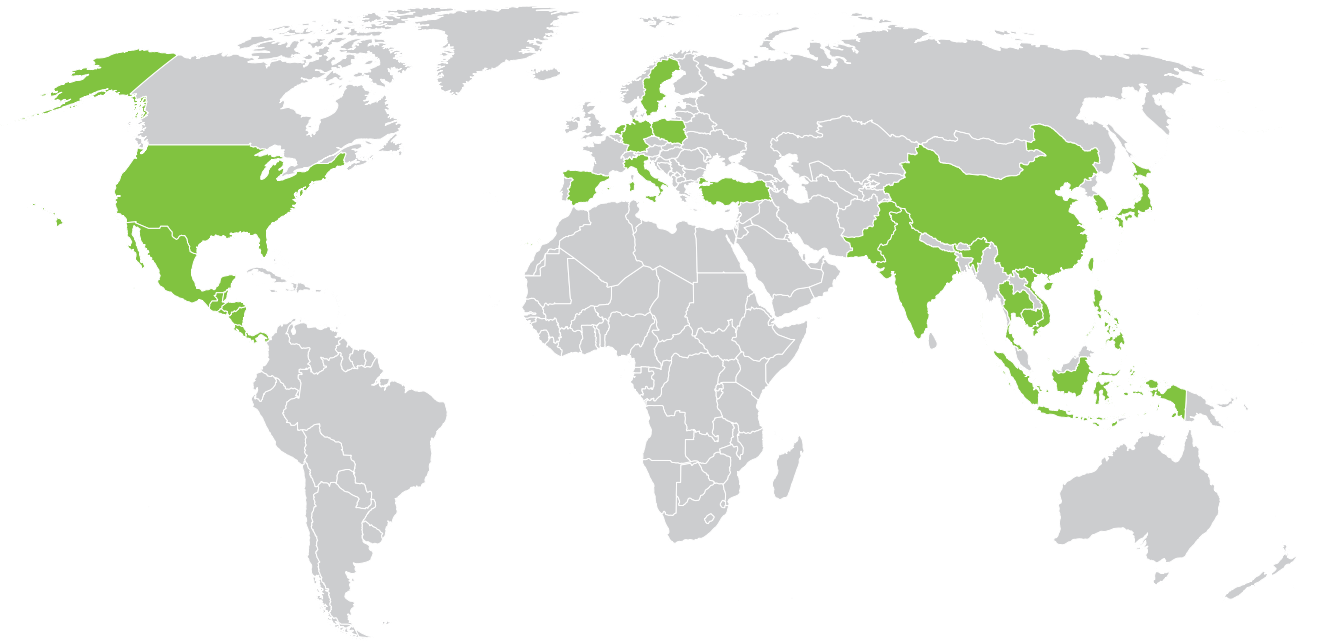


Our EVERGREEN Strategy

With 848 stores in 49 states, our corporate headquarters, three distribution centers, one omni fulfillment center, Creativebug, and suppliers spread around the globe, we recognize that what we do at JOANN has the ability to impact, both positively and negatively, the environment and the communities where we do business.

To support our efforts to minimize the potential negative impacts and accentuate the positive effect we can have in the short, medium, and long-term, JOANN is launching our **EVERGREEN** Strategy and operationalizing it through our **Team Members**, **Love for Planet**, and **Care for Communities** workstreams.

We believe this strategy supports our overall mission and vision of inspiring creativity and helping our Team Members and customers find their happy place by connecting the products and services we provide with sustainability and corporate responsibility.



At JOANN, our operations & network of suppliers span the globe.

Our Guiding Philosophy

Our EVERGREEN Strategy is grounded in the guiding philosophy that we will work every day to be a better corporate citizen than we were the day before, and we are committed to creating a more sustainable future. While JOANN has long been committed to corporate responsibility, in recent years we have increased our focus on understanding the impact we have on the environment, our Team Members, and the communities where we live, work and do business. We believe that taking action to address our climate and social impact is an effective way to grow our business, inspire creativity, and help people find their happy place.

As the nation's retail leader in sewing and fabrics and one of the fastest growing companies in the arts and crafts category, we believe an effective environmental, social and governance (ESG) program is particularly important. From an environmental standpoint, textiles make up one of the fastest growing waste segments in the United States, and the materials we use to package the products we sell across categories – if not selected with sustainability in mind – can have a negative impact on the planet. Additionally, with stores and partners spread around the globe, identifying ways to more effectively manage our energy consumption and transportation networks can significantly reduce our carbon footprint and environmental impact.

From a social perspective, JOANN's success has always been driven by people. By focusing intently on inspiring creativity in our customers, we support them as they complete their unique projects. Many of these customers are helping to drive change in their communities by donating their creations to help others – a principle that we have embraced as well in our corporate giving program. Additionally, we recognize that our knowledgeable, friendly, and trusted Team Members, a significant number of whom are sewing and craft enthusiasts themselves, are our greatest asset as we help our customers finish their projects and find their happy place.

With this in mind, our EVERGREEN Strategy is centered, in large part, on our Team Members and customers. Initially, we are building our EVERGREEN Strategy on four key priorities which leverage our Team Members and customers and provide a solid foundation for a robust ESG program that can be expanded upon in the future. These four priorities include:



Creating an environment where all Team Members can be their authentic selves and contribute at their highest level



Minimizing our carbon footprint by taking action throughout our own operations and those of our suppliers



Powering reusability with customers to tie environmental responsibility to our greater purpose



Appealing to, inspiring, and supporting our diverse customer base and communities

Putting our Priorities into Action

This philosophy and these priorities are the heart of our EVERGREEN Strategy and build on the good work already underway at JOANN. We know that sustainability and corporate responsibility are an on-going journey, so we are using an iterative process, which involves:

- Building a strong internal foundation with buy-in and involvement at all levels of the organization from the Board of Directors to our in-store Team Members
- Choosing the right tools to best assess where we are today as a company and where we need to go to be a better corporate citizen
- Collecting and analyzing relevant data to allow us to document our sustainability and corporate responsibility progress in a consistent and clear manner
- Transparently reporting on where we are to enable our stakeholders to evaluate our progress
- Implementing strategies for improvement to continue advancing toward the priorities we have outlined
- Monitoring for continuous improvement so we can ensure that we are making progress on this important initiative

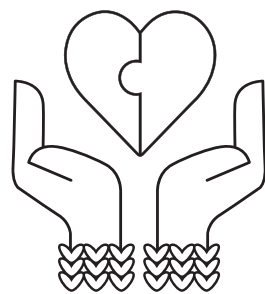
Our EVERGREEN Strategy will use a hybrid disclosure approach that includes the Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) frameworks. We believe this approach makes sense for multiple reasons. First, we recognize that many different stakeholders – including our investors, our customers, and our Team Members – want to know how JOANN is assessing and managing our environmental and social impact. A hybrid disclosure approach allows us to include standardized and consistent measures of environmental sustainability, corporate responsibility, and governance that are of interest to each of these important stakeholders.

Second, the recently proposed Securities and Exchange Commission (SEC) rules related to climate risk disclosure lean heavily on the TCFD framework and centering JOANN's EVERGREEN Strategy in this way helps us prepare for these rules which could take effect as early as 2024. Finally, there is an increasing amount of consolidation and standardization of ESG disclosure frameworks. In June 2022, the Value Reporting Foundation, which houses the Integrated Reporting Framework and the SASB Standards, was consolidated into the IFRS Foundation which is coordinating the development of a new International Sustainability Standards Board (ISSB) framework to provide a comprehensive global baseline of high-quality sustainability disclosure standards. Our hybrid EVERGREEN approach positions JOANN to be flexible to adapt to any changes that come out of this process.

Using this iterative, hybrid approach to disclosure and reporting, we are working to embed sustainability and corporate responsibility throughout our organization. Much of this work is led by our cross-functional EVERGREEN workstreams which are aligned to our four key priorities. In addition to providing an organizing framework for our EVERGREEN Strategy, these cross-

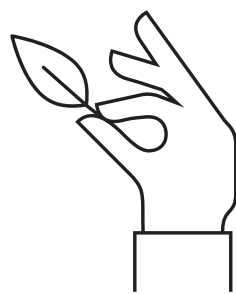
functional teams help us position JOANN to better address current and future ESG related risks and opportunities. Our workstreams include Team Members from areas including: corporate communications, facilities management, human resources, information technology, internal audit, legal, sourcing and packaging, and transportation.

As previously mentioned, we have aligned three substantive workstreams to our four key priorities. These three workstreams are responsible for producing relevant data to support the EVERGREEN Strategy and reporting requirements, identifying areas of potential improvement, and implementing efforts to mitigate risk and capitalize on opportunity as we look to address each of the four key priorities. These three workstreams are:



TEAM MEMBERS

Focuses on creating an environment where all Team Members can be their authentic selves and contribute at their highest level



LOVE FOR OUR PLANET

Focuses on powering reusability with customers to tie environmental responsibility to our greater purpose, and minimizing our carbon footprint throughout our value chain



CARE FOR COMMUNITIES

Focuses on appealing to, inspiring, and supporting our diverse customer base and communities

In addition to these three substantive workstreams, our Governance and Communications workstreams provide support across each area to link our EVERGREEN strategy with appropriate measures of transparency and risk management.

What's Included in Our FY22 Report

This report covers JOANN's activities during Fiscal Year 2022 which ended on January 29, 2022, unless otherwise noted. Transactions completed after the end of the fiscal year, such as our recent acquisition of WeaveUp, will be included in future reporting periods.

While our strategy builds on a hybrid approach to disclosure, utilizing TCFD, SASB and GRI, this report leans most heavily on SASB. While TCFD contains general disclosure requirements for all reporting entities, both SASB and GRI utilize a materiality assessment process to identify topics for reporting purposes.

SASB provides, through its public website, industry-based material topics and accounting metrics. JOANN is categorized, pursuant to SASB's Sustainable Industry Classification System (SICS) into the Multiline and Specialty Retailers and Distributors classification. As such, we are reporting data, where available, for eleven SASB accounting metrics across five material topic areas, including: Energy Management in Retail and Distribution; Data Security; Labor Practices; Workforce Diversity and Inclusion; and Product Sourcing, Packaging and Marketing. Detailed SASB tables, containing specific accounting metrics and values can found in the appendix to this report. Data contained in the report, unless otherwise noted, were queried and developed from internal JOANN systems, reports, and policies.

We have not, as of the publication of this report, completed a more detailed GRI materiality assessment. Where applicable some relevant GRI measures may be included, but it is likely that a more detailed materiality assessment will expand the topics covered in future iterations of this report. We will conduct a more detailed materiality assessment in future years to create a more robust report.

Forward Looking Statements

This report may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You can generally identify forward-looking statements by our use of forward-looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "seek," "vision," or "should," or the negative thereof or other variations thereon or comparable terminology.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates, and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. These factors may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements.

Team Members

At JOANN, our more than 22,000 Team Members at every level of the business are our greatest asset. Team Members from our stores, distribution centers, Creativebug, and our corporate headquarters inspire creativity worldwide, and help our millions of customers find their happy place.

Recruiting, developing, and retaining diverse, high-quality Team Members is critical to our ability to achieve our short and long-term corporate objectives. As we work to create an environment where all Team Members can be their authentic selves and contribute at their highest level, we value and support them by focusing on, among other things, effective **human capital management**, **Team Member health, safety, and wellbeing**, and **diversity and inclusion**.



We offer our diverse Team Member base training and development, comprehensive health and compensation benefits, and safe & inclusive work environments, wherever they are located.



Human Capital Management

Training

We offer all Team Members developmental opportunities to grow professionally. From initial onboarding to high potential leadership development, we believe in learning and career growth. Our talent management team brings together performance management, talent assessment, succession planning and career planning. This team provides tools, resources and best practices to ensure we have the right talent in the right roles at the right time. To support this effort, we invest in executive coaching, assessments, internal development programs, external courses, peer networks, mentor programs, and more.

In FY22, we launched a new Manager Development Series and all corporate headquarters supervisors and managers were encouraged to participate. This series included sessions covering topics such as:

- Elevating High Performers
- Managing vs. Leading
- Microaggressions
- Optimizing Your Time

Each session was crafted with the active manager in mind using real life cases and incorporating immediate action items. This allowed our management team to be engaged by tackling current issues and preparing for the future.

Compensation and Benefits

JOANN fosters a friendly, caring and flexible environment for our Team Members. Whether full-time or part-time, salaried or hourly, we offer competitive compensation and benefits programs for our Team Members. Eligible Team Members can invest in their future by participating in the Jo-Ann Stores, LLC 401(K) Savings Plan, which includes an employer match, our Employee Stock Purchase Plan, which provides an opportunity to purchase JOANN stock at a 15% discount, and deferred compensation plans. Full-time Team Members are offered medical, dental, vision, prescription drug, disability and life insurance coverage, health savings accounts (HSA)/flexible spending accounts (FSA), paid time off and a merchandise discount. Part-time associates are offered dental, vision, and supplementary life insurance, as well as a merchandise discount.

JOANN's merchandise discount benefit provides a 30% discount to all of our Team Members. In FY2022, our employees used this discount to purchase over 5.4 million items and save \$9.7 million. In addition to providing our Team Members – many of whom are sewists and crafters – with a direct savings, it also allowed our Team Members to increase their familiarity with our products and better help our customers complete their creative pursuits.

Health, Safety and Wellbeing

At JOANN, our Team Members are our greatest asset, and we are committed to maintaining a safe and healthy working environment in all of our locations. Our goal is to achieve zero serious injuries through continued investment in, and focus on, our core safety programs and injury-reduction initiatives. This focus on safety is reinforced each day through communication to our Team Members around safety awareness, risk identification and other essential safety protocols.

When hired, all Team Members must complete a safety-specific training course as part of our new-hire orientation program to learn JOANN's safe working practices. Additionally, Team Members at our stores and distribution/ fulfillment centers receive specialized training to enhance our safety culture and reduce accidents. In FY2022, this approach helped us reduce new reported Workers' Compensation claims by 16.2% and indemnity claims by 13.1% year over year.¹

COVID Response

Like companies around the world, the COVID-19 pandemic forced us to adjust how we do business. During the COVID-19 pandemic, we took a number of actions to protect the health and well-being of our Team Members and to reward our Team Members for their contributions to our success. We started by following the appropriate Centers for Disease Control guidance and implemented multiple targeted controls aimed at protecting our Team Members and customers, including:

- Installation of protective barriers where appropriate
- Placing graphics throughout our stores to promote social distancing
- Instituting curbside pickup and ship from store options to minimize direct contact
- Requiring all Team Members to wear face coverings
- Regular sanitization of high-contact store surfaces
- Monitoring the number of customers in our stores based on store size

Additionally, we worked to address the impact of COVID-19 beyond exposure to the virus. We made efforts to reward our Team Members by extending paid leave and paying additional discretionary bonuses to our Team Members for their contributions as well as providing \$2 per hour premium pay for in-store and distribution center Team Members. Additionally, we expanded telephonic and video access to benefits including mental health support.

We also launched our JOANN Team Member Relief Fund. Established in July 2020, this fund provides support to our Team Members experiencing financial hardship due to the impact of the COVID-19 pandemic through non-taxable grants. In addition to the initial funding for this program, our Team Members continue to support this program through one-time and recurring payroll donations. As the pandemic becomes less acute, we are broadening this program to support our Team Members facing other financial hardships as well.

¹ Data on worker's compensation claims were provided by JOANN's third-party service provider.

Team Member Wellbeing

To support our Team Member’s overall wellbeing, JOANN places an emphasis on developing connections in the workplace, individual empowerment, and providing Team Members with the necessary tools to maintain a healthy work-life balance. We do this through a wellness program that builds from four general action steps we take to meet the needs of our Team Members, which include making tools available to all, promoting mental health and other resources, maximizing future financial stability, and intertwining wellness with business strategy and company culture.

Our wellness program has three main areas of focus:

| FINANCIAL | PHYSICAL | EMOTIONAL |
|---|--|--|
| Provides resources and education to Team Members so they can have peace of mind | Encourages Team Members to think about improved nutrition and movement | Looks to destigmatize caring for our minds and accepting support |

Within these wellness program focus areas we offer a variety of resources to our Team Members, including, among others:

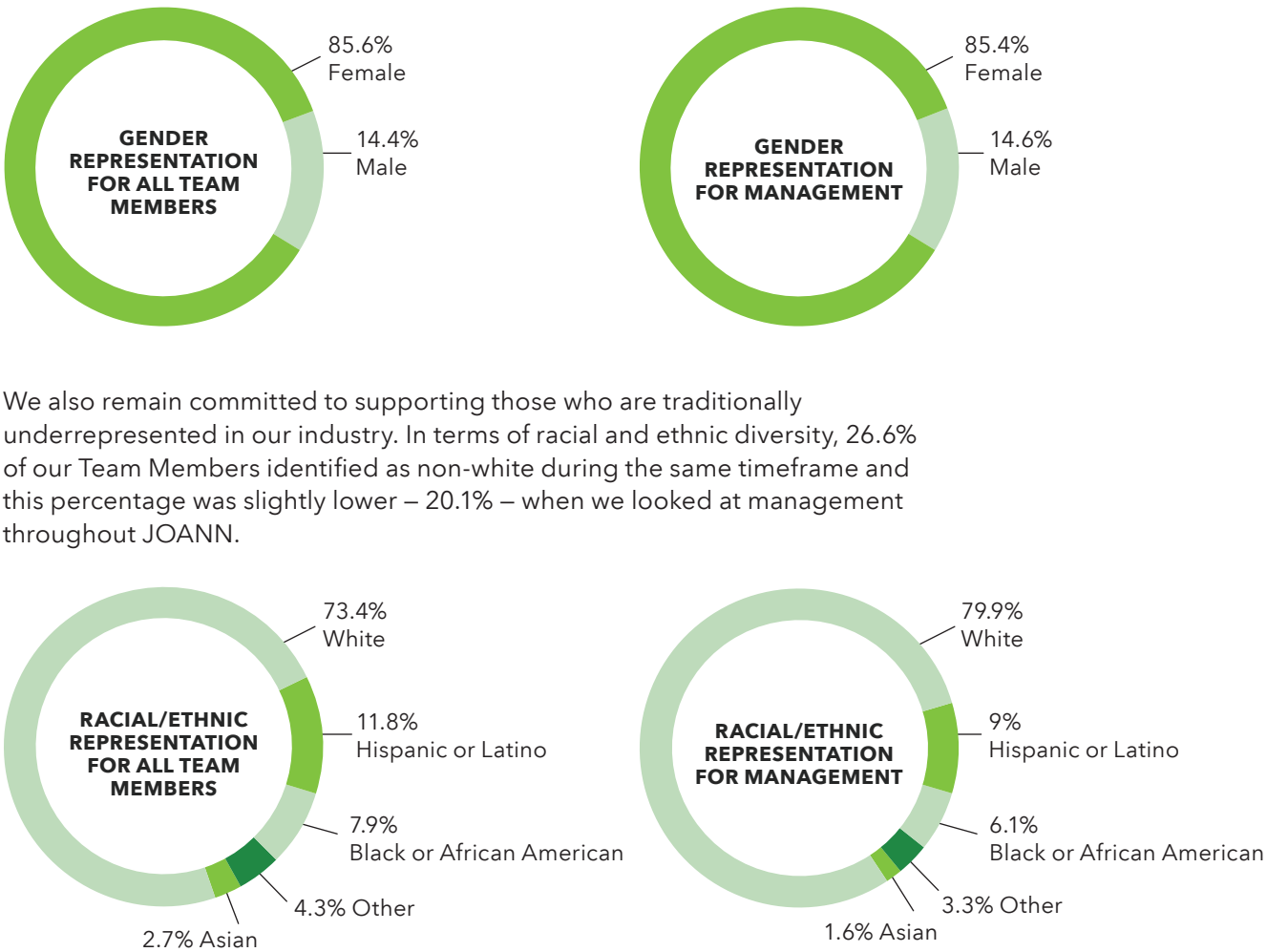
- Active and Fit Direct, which provides access to a national network of fitness centers and an extensive library of digital videos
- Tuition Reimbursement of 50% for tuition and eligible expenses up to \$5,250 per year
- Identity Theft Protection that includes repair and monitoring services
- The Cleveland Clinic Lifestyle Employee Assistance Program (EAP), which includes confidential counseling sessions
- Financial literacy programs which are offered throughout the year

Diversity and Inclusion

At JOANN, we know that sewing and crafting are creative outlets that are enjoyed by people regardless of gender identity, race, ethnicity, age, sexual orientation, or ability. As a result, we are committed to building a culture of inclusivity and belonging across all sectors of our company. JOANN has always stood for inclusivity, and we believe there is no room for discrimination of any kind in our company or in our society. We aim to build a future together that focuses on treating all humans with the dignity and respect they deserve, and this starts with cultivating a diverse group of Team Members.

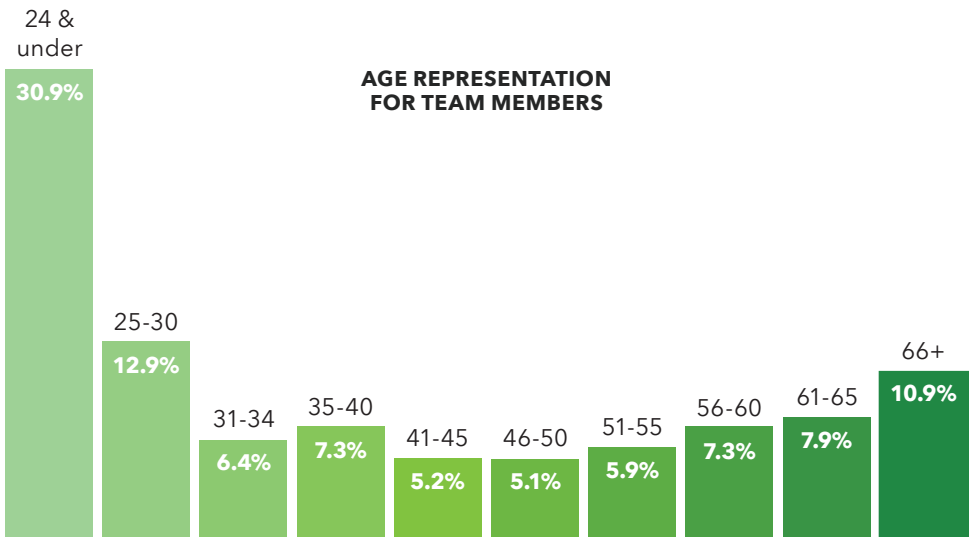
Workforce

We want our JOANN Team Members to be their authentic selves. The lived experiences of our Team Members are critically important to delivering on our mission of inspiring creativity and helping customers find their happy place, and we have prioritized the development of a work force that looks like our diverse customer base. Women are strongly represented across all levels of our organization. In FY2022, 85.6% of all our Team Members were women, and this percentage was about the same – 85.4% – when we looked at management throughout JOANN.



We also remain committed to supporting those who are traditionally underrepresented in our industry. In terms of racial and ethnic diversity, 26.6% of our Team Members identified as non-white during the same timeframe and this percentage was slightly lower – 20.1% – when we looked at management throughout JOANN.

Since sewing and crafting are activities that people of all ages and abilities can enjoy, we are also committed to promoting generational diversity among our Team Members and identifying work opportunities for people of differing abilities. We are proud that our Team Members come from different generations. In FY2022, 30.9% of our total workforce were age 24 or under and employees age 66 and older also represented a significant percentage of our Team Members at 10.9%. Additionally, in FY2022, JOANN partnered with multiple community organizations to identify and provide employment for individuals who may need additional support as they enter the workforce and we are looking to expand this program moving forward.



Jayne & Maggie

There is, perhaps, no better example of the value of generational diversity than our Team Members at Store 2147 in Mason, Ohio, where a special friendship went viral on social media. Maggie Husvar shared videos of herself and her now 100-year-old coworker, Jayne Burns, and the unlikely duo showed millions of people that creativity has no age limitations. Jayne shared her best advice to “Keep Moving” and it was viewed/shared more than 14 million times.

Despite the 80-year age gap, Maggie and Jayne have bonded over serving customers and love working with one another to inspire creativity.



JAYNE & MAGGIE

Cultivating D&I

We recognize that diversity and inclusion is a topic that must be constantly cultivated, developed, and supported. In addition to building a diverse team, JOANN provides resources to support our Team Members in building and maintaining a diverse culture. This includes launching our Diversity and Inclusion Council which is comprised of Team Members from across the organization who work to further change at JOANN, discuss current events, and exchange open and honest dialogue. This work, and our broader diversity and inclusion strategy, is supported by four Business Resource Groups (BRG), including:

CULTURE BRG

Helps grow the D&I culture at JOANN and serves as change agents by sharing information on why D&I is critical

TALENT BRG

Serves as a resource to recruit diverse talent to JOANN and leverage influence to encourage potential candidates to apply for employment opportunities

BUSINESS BRG

Helps ensure that JOANN products related to cultural groups are appropriate and marketed tactfully

COMMUNITY BRG

Leads efforts in connection with the JOANN Minority Grant Program, volunteer opportunities, partnerships, and other ways that JOANN can enrich communities and support marginalized groups

Additionally, we provide our Team Members with multiple training and education resources to support our D&I efforts. This includes our monthly D&I education series and our virtual Diversity and Inclusion Resource Center in our Workday platform, which has important resources to help connect our Team Members to internal trainings and external information about trends and support for diverse populations.

Love for Our Planet

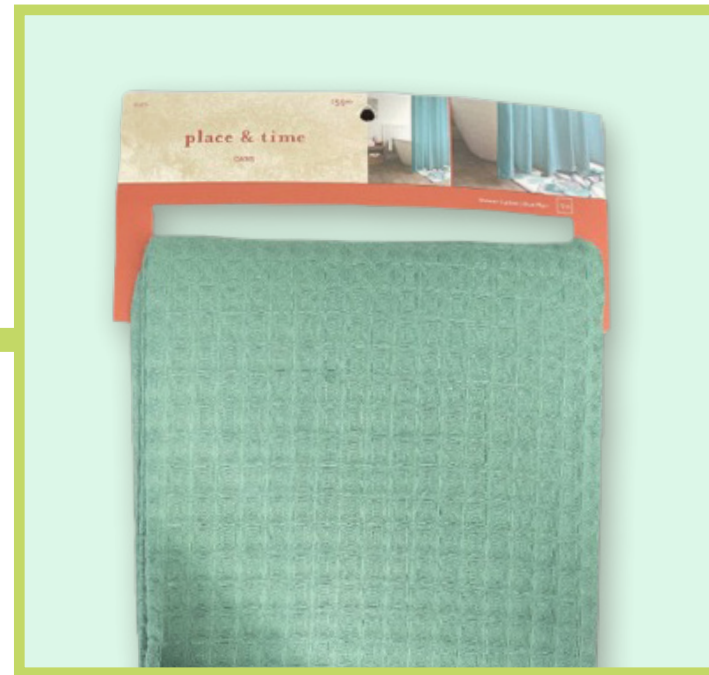
As we work to be a better corporate citizen, we recognize that taking intentional and meaningful action to be good environmental stewards is critically important.

JOANN is a destination for people who create bespoke projects and find ways to uniquely reuse and upcycle materials. In building our EVERGREEN Strategy, we have placed a priority on finding ways to make it easier for our customers to use our products in a creative and sustainable way, and reducing our carbon footprint and broader environmental impact by looking at our own operations and the people we do business with. In FY2022, we categorized this work into three major groups of activity including **Energy Management**, **Sourcing and Packaging**, and **Reuse and Recycling**.



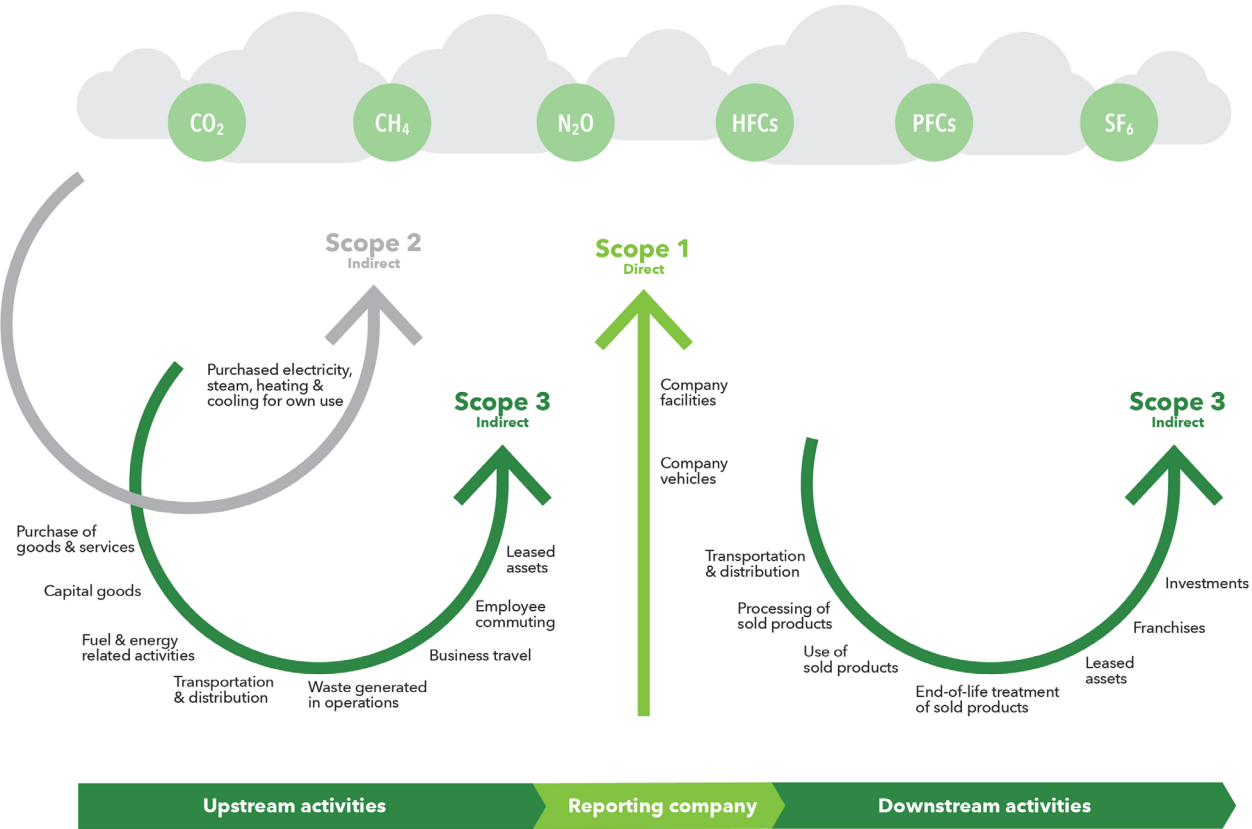


The packaging our products come in is a big opportunity for JOANN to be more sustainable. See page 32 for more details on how we are changing packaging to reduce our environmental impact.



Energy Management

At JOANN, we have made reducing our carbon footprint throughout our value chain one of our key EVERGREEN priorities. To help us advance this priority, in FY2022 we contracted with a third-party to conduct our first greenhouse gas (GHG) inventory for our stores, corporate offices, distribution centers and omni-fulfillment center. This included Scope 1 and 2 GHG emissions calculated following the approach outlined by the Greenhouse Gas Protocol Initiative.¹ Under this approach, Scope 1 emissions include a company’s direct emissions from assets they own or control, such as furnaces, boilers, generators, air conditioning, vehicles and equipment. Scope 2 emissions include indirect emissions associated with electricity purchased for use in stores and other facilities owned or controlled by the company. Scope 3 emissions, which are not included in this initial inventory, include all other emissions that are associated with activities that happen upstream and downstream in a company’s value chain.



While our initial GHG inventory did not include our Scope 3 emissions, we recognize this is an important part of understanding JOANN’s overall carbon impact. As with most retail operators, we anticipate our Scope 3 emissions will represent a significant portion of our carbon footprint. Due to the complexity

¹The Greenhouse Gas Protocol Initiative is a multi-stakeholder partnership formed in 1998 to develop internationally accepted GHG emissions accounting standards for businesses.

of appropriately calculating Scope 3 emissions, we are taking a measured approach to increase the accuracy of our understanding of the carbon impact of our upstream and downstream activities. This approach involves an internal assessment of our data and processes around Scope 3 emissions and, ultimately, the inclusion of material Scope 3 emissions in future inventories.

Total Energy Used

In FY2022, we consumed 1,013,367 gigajoules of energy in our stores, corporate offices, distributions centers, and omni-fulfillment center.² This includes energy from a variety of sources but purchased electricity and natural gas are the main categories accounting for nearly 100% of energy consumed in FY2022.

JOANN’s retail stores are the primary driver of energy consumption representing 89% and 74% of all electricity and natural gas usage respectively.

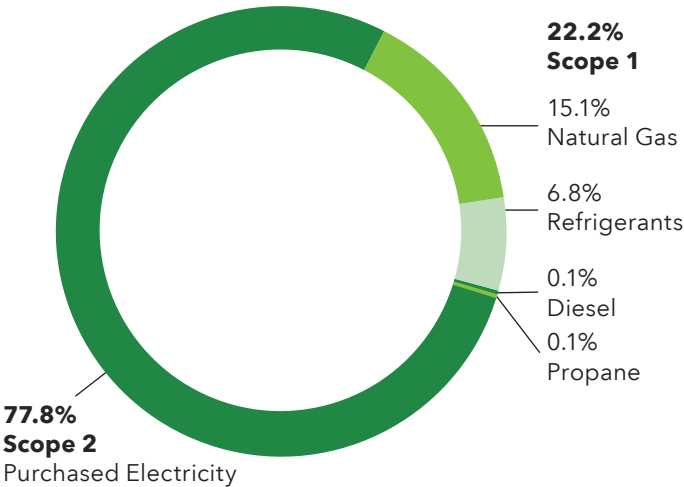
| Electricity | | | | |
|--------------------------|-------------|------------|--------------|-------------|
| | KWH | % OF TOTAL | SQ. FT. | KWH/SQ. FT. |
| Corporate Offices | 1,471,980 | 1% | 0.3 million | 4.91 |
| Distribution Centers/OFC | 20,600,216 | 10% | 3.3 million | 6.24 |
| Retail Stores | 174,395,308 | 89% | 18.7 million | 9.33 |
| Total | 196,467,504 | 100% | | |

| Natural Gas | | | | |
|--------------------------|-----------|------------|--------------|----------------|
| | THERMS | % OF TOTAL | SQ. FT. | THERMS/SQ. FT. |
| Corporate Offices | 13,269 | 0% | 0.3 million | 0.04 |
| Distribution Centers/OFC | 734,026 | 26% | 3.3 million | 0.22 |
| Retail Stores | 2,121,257 | 74% | 18.7 million | 0.11 |
| Total | 2,868,552 | 100% | | |

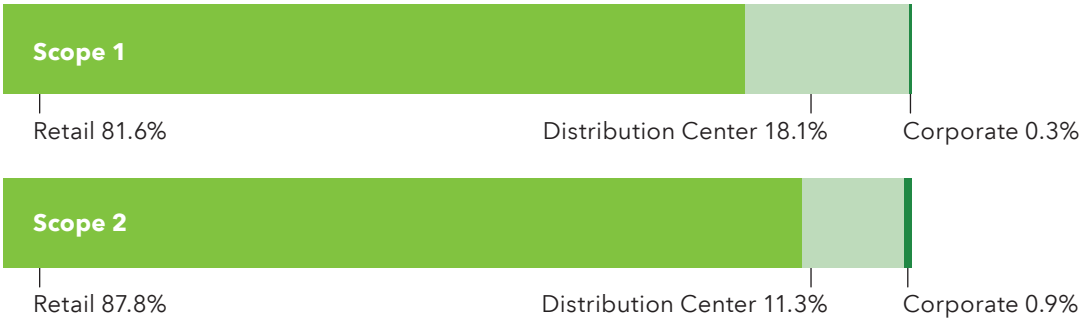
² Total energy consumed includes natural gas, purchased electricity, propane, diesel and other fuels used in JOANN’s operations. Data for this calculation was primarily sourced from an external service provider’s utility bill management system. Limited data was also obtained from JOANN’s internal financial systems. Where actual data was not available, energy modeling techniques were used to determine a reasonable estimate of usage.

Greenhouse Gas Emissions

In FY2022, JOANN’s Scope 1 and 2 GHG emissions were 100,915 metric tons of carbon dioxide equivalent (MTCO₂e).³ Of this total, 22,389 MTCO₂e were Scope 1 emissions which includes stationary combustion and refrigerant emissions⁴ at company facilities and any emissions from company-owned vehicles and equipment. The remaining 78,526 MTCO₂e were Scope 2 emissions calculated for purchased electricity using the GHG Protocol’s location and market-based approach.



In order to facilitate efforts to reduce our carbon footprint, we are looking at this information by site type. Based on overall energy consumption, our retail stores account for approximately 82% of Scope 1 and 88% of Scope 2 emissions.

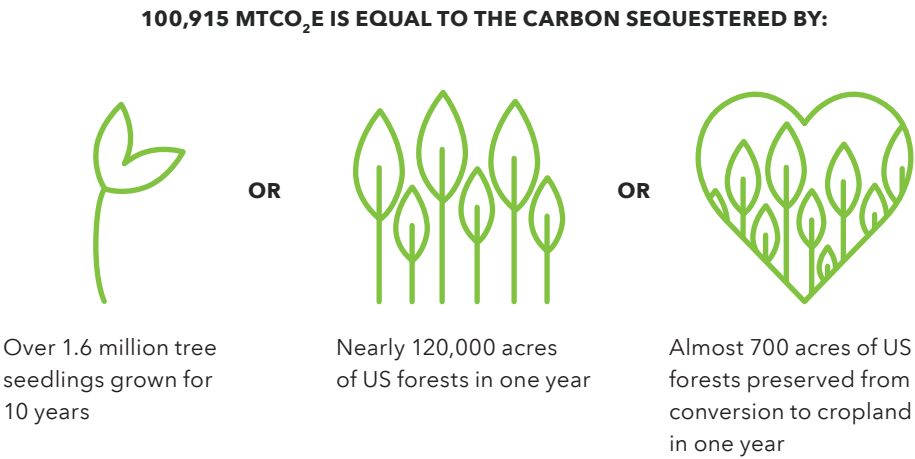
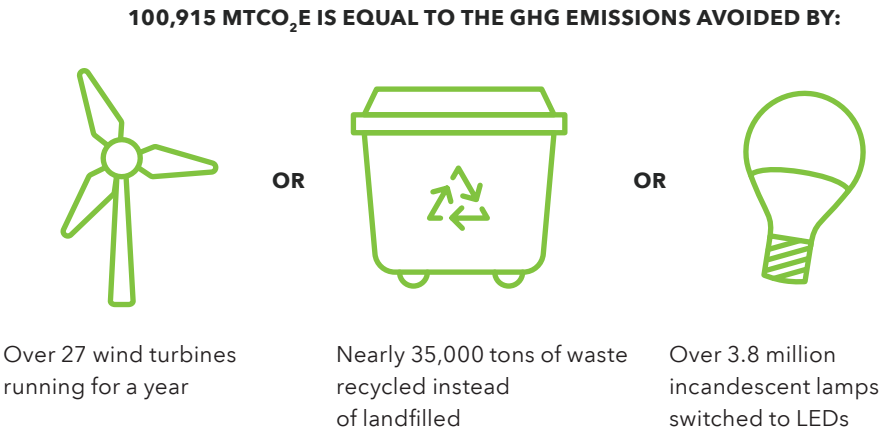
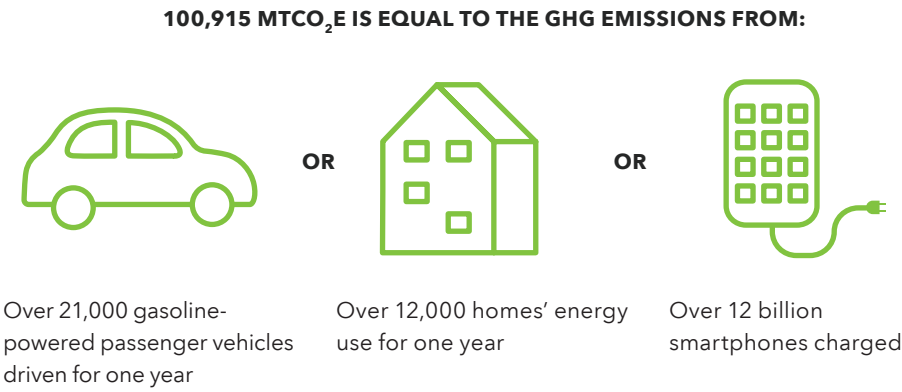


³ The GHG accounting methodology used in this report was completed by an external third-party and is aligned with *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* using the operational control approach. Emission factors were obtained from EPA eGRID2019 (Year 2021 Data) (USEPA 2021a), The Climate Registry (TCR, 2021) and USEPA Emissions Factors for Greenhouse Gas Inventories guide (USEPA 2021b).

⁴ Fugitive emissions were estimated based on the simplified screening approach as presented by TCR, USEPA Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases (2014), and WRI/WBCSD’s Calculating HFC and PFC Emissions from the Manufacturing, Installation, Operation and Disposal of Refrigeration & Air-conditioning Equipment (Version 1.0) (2005). These sources also provide default values for various types of equipment, all based on IPCC guidance.

Greenhouse Gas Equivalencies

As we work to effectively communicate our carbon footprint to our customers and ingrain reducing our carbon impact to our operations, greenhouse gas equivalencies are an effective tool to translate the abstract concept of MTCO₂e into something that is more easily understood. Using the March 2022 version of the US EPA’s Greenhouse Gas Equivalencies Calculator,⁵ we developed the following comparisons for our FY2022 Scope 1 and 2 emissions:



⁵ www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

Sourcing and Packaging

JOANN offers its customers a diverse array of products to help them find their creative Happy Place. With over 273,000 items available in stores and online, JOANN is a convenient single source for all the supplies our customers need to complete their sewing and craft projects. As we look to minimize our carbon footprint and limit our environmental impact, we recognize that our products, and the packaging they come in, represent a significant opportunity to take meaningful, sustainable action. With this in mind, a critical component of our sustainable journey is continually finding and adopting more responsible methods for sourcing and packaging of our products.

Sourcing

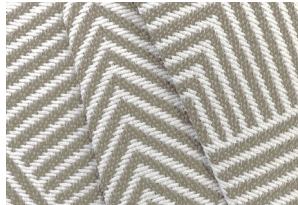
As the nation’s category leader in sewing, our comprehensive assortment of sewing products accounted for 43% of our total net sales in FY2022. These products covered multiple categories for the sewing enthusiast and those that utilize fabric for other crafting projects, including:



Cotton fabrics used in the construction of quilts as well as craft and seasonal projects



Warm fabrications, such as fleece and flannel fabrics in both prints and solids, used for the construction of loungewear, blankets and craft projects



Home decorating & utility fabrics and accessories used in home-related projects, such as window treatments, bed coverings, pillows and indoor and outdoor furniture coverings



Fashion & sportswear fabrics used primarily in the construction of garments for the customer seeking a unique, on-trend look



Special occasion fabrics used to construct evening wear, bridal and special event attire

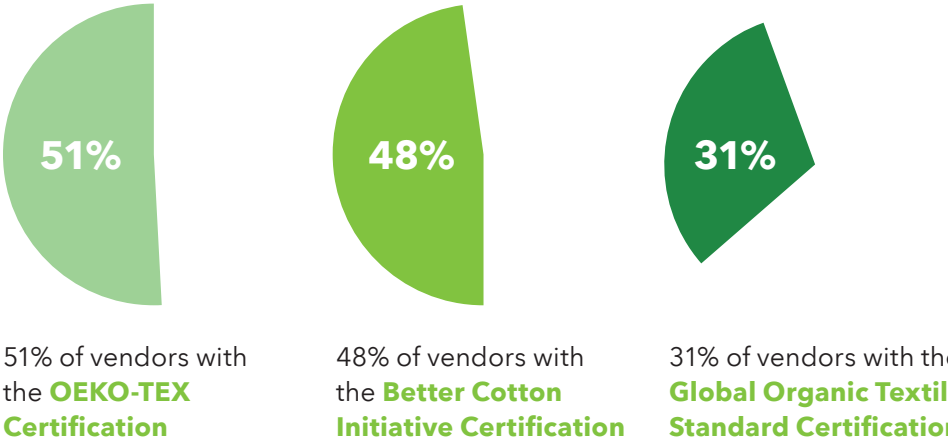


Seasonally themed & licensed fabric designs, including professional and collegiate sports teams and pop culture licensed prints, on a variety of fabrications to support a wide range of uses



A wide array of sewing construction supplies, including cutting implements, threads, zippers, trims, tapes, pins, elastic and buttons, as well as the patterns necessary for most sewing projects

The sourcing of fabrics represents a significant opportunity for JOANN to limit our environmental impact. A critical part of this involves working with vendors that are taking active steps to more responsibly produce the cotton that goes into our fabrics. This includes working with Bureau Veritas to assess and document improvements in the energy and water use of our cotton producing vendors. Additionally, we are making use of third-party certifications to help ensure these products are produced as responsibly as possible with:



Product Safety and Compliance

Our commitment to responsible sourcing impacts what we sell across our sewing, arts and crafts, home decor and other categories. JOANN strives to provide safe and quality merchandise that is manufactured responsibly. Our Quality Compliance Program is a critical piece of how we do this.

Through our efforts, JOANN complies with all applicable regulations, industry standards and Federal, state and local testing requirements for product safety. We have a Quality and Compliance Guide which outlines JOANN’s approach and our vendor’s responsibilities relative to our factory audit program, production ready sample process, quality control inspection program, testing program, and chemical review process. We monitor how our vendors are performing relative to these responsibilities and when needed take appropriate action to ensure accountability to our compliance program.

Packaging

In addition to the products we sell, the packaging of these products is also a significant opportunity to advance our sustainability efforts. To help us leverage this opportunity, we follow a series of sustainable packaging principles, including:

SOURCE WITH INTENT

Responsibly source packaging materials and maximize renewable and/or recycled content.

DESIGN FOR EFFICIENCY

Design product packaging to avoid using unnecessary material.

DESIGN FOR DISTRIBUTION

Optimize shipping packaging design to reduce environmental impact.

DESIGN FOR REUSE & RECYCLABILITY

Design for reuse and recyclability of packaging materials

Using these principles as our guide, we are already making progress on reducing the amount of materials we use to package and ship our products. In FY22 alone, we avoided approximately 15.5 metric tons of packaging materials by making multiple changes across our product lines, including:



Eliminating folded backer cards on craft kits which saved approximately 19,000 lbs. of paper



Replacing plastic hangers with chipboard hangers which reduced plastic usage by over 3,000 lbs.



Eliminating plastic hooks for towels, napkins and placemats reducing plastic packaging by over 10,000 lbs



Switching from polybags & clamshells to paper boxes for our Top Notch brushes which saved over 2,000 lbs. of plastic



Changing how we package our rugs to replace shrink wrap with cotton ribbon ties and switching from wrap labels to hang tags which reduced plastic and paper usage by over 900 lbs.



Additionally, we have made changes to how we package products for shipping. This includes utilizing corrugated sheets to replace plastic wrap, placing corners inside cartons to replace bubble wrap, and removing unnecessary Styrofoam.

Reuse and Recycling

Circular Inspired Charitable Giving

At JOANN, we recognize that long-term solutions to waste management challenges will require outside-the-box thinking. This is why we look for creative ways to keep our older product out of landfills. One of these creative solutions links our commitment to charitable giving with circular-inspired solutions. For 19 years, JOANN has partnered with the Kids in Need Foundation to support their mission of ensuring that every child is prepared to learn and succeed by providing free school supplies to students who are most in need.

Through this partnership, we take products from our stores that, for various reasons, we would traditionally discard and supply them to the Kids in Need Foundation. This has multiple positive impacts by keeping these items out of landfills, helping students better achieve their full potential, and empowering teachers to do their best, creative work.

Over the life of our partnership with the Kids In Need Foundation, we have donated over \$150 million in product and in FY2022 we donated \$4.5 million worth of product to Kids in Need Resource Centers across the country, keeping these products out of landfills and getting them into the hands of the educators who need them the most. In 2021, Kids In Need Foundation supported over 7.8 million students and 316,900 teachers in 13,807 under-resourced schools.

Recycling

Changing how we package and ship our products is an important way we can reduce certain types of waste, but with 848 stores, three distribution centers, one omni fulfillment center, and our corporate headquarters, the waste we generate within our facilities is another opportunity for JOANN to become more sustainable. Like many people and companies, the way we think about our waste management efforts starts with in-facility recycling programs.

JOANN contracts with a third-party vendor for waste management services at stores and other facilities where service is not provided by a landlord. This vendor provides some service – either traditional waste removal, recycling, or both – at approximately 90% of the facilities we operate and includes a mix of stores, distribution centers, the omni fulfillment center and our corporate headquarters. At 372 of these facilities, this vendor provides both waste removal and recycling services. In FY2022, at these facilities where data is available for both recycling and waste removal, we diverted 53.4% of the waste generated at these facilities from being sent to a landfill.⁶ Moving forward, we are looking at ways to expand our data collection efforts to include all of our facilities and are continuing to identify ways to increase our diversion rate in future years.

We’ve donated \$150 million in product to Kids in Need Resource Centers across the country, keeping these products out of landfills and getting them into the hands of the educators who need them the most.

⁶ Data on waste management was provided by JOANN’s third-party service provider.

Care for Our Communities

For more than 75 years, JOANN has been committed to supporting the communities where we do business and helping to create a better world.

JOANN shares with our customers a commitment to giving back, and we are proud of our efforts to support communities through **Charitable Partnerships** with national fundraising campaigns, **Inspired Giving** through product donations and employee volunteering, and proactive steps to **Enable Diverse Creators**.



FLINT HANDMADE



IPROMISE VILLAGE CRAFT NIGHT



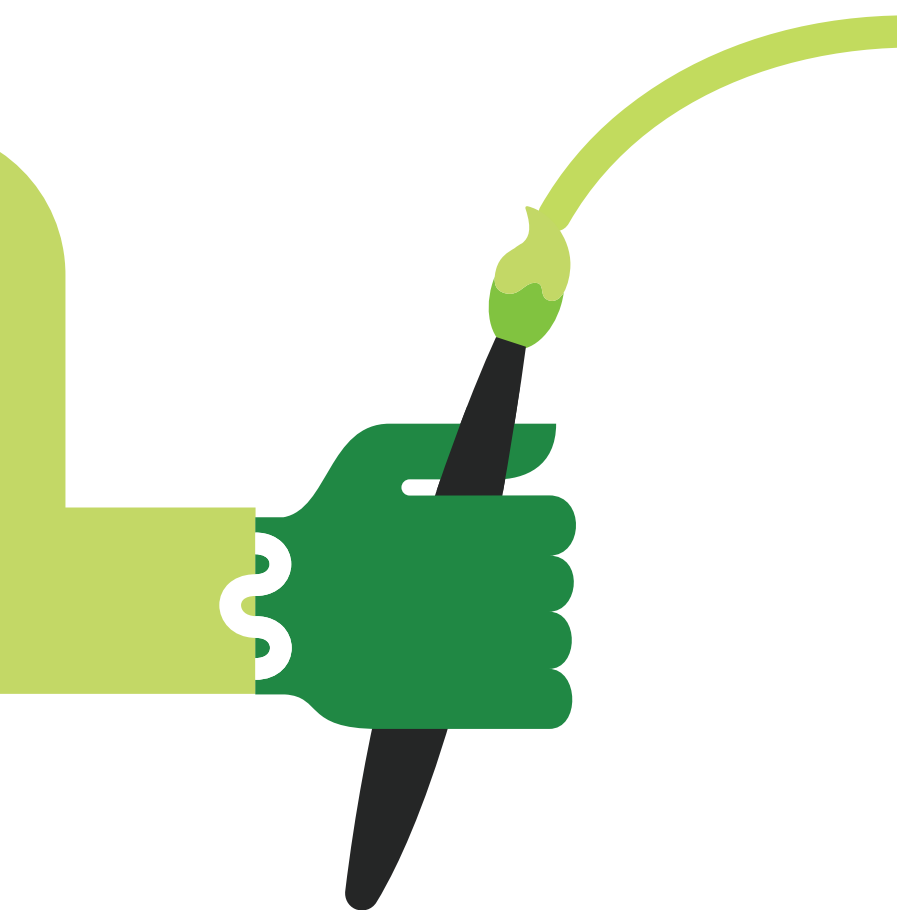
We are proud to partner with national and local organizations that support causes that are important to our Team Members and customers. We donate millions of dollars in product donations, fundraising and volunteerism annually.



KIDS IN NEED FOUNDATION



CAMP SAY



Charitable Partnerships

St. Jude Children’s Research Hospital

St. Jude Children’s Research Hospital leads the way the world understands, treats, and defeats childhood cancer and other life-threatening diseases. Having identified children’s health as a cause that is important to both our Team Members and customers, St. Jude has been one of JOANN’s largest charitable partners for the past five years.

As our charitable partner during the holiday season, JOANN raises funds annually through the collection of donations at the point of sale in stores and in-store coin boxes. We also launched a one-of-a-kind fabric collection featuring art created by patients at St. Jude. For each yard sold, \$1.50 was donated back to the hospital. Each unique design displays the hope, optimism and resiliency of the St. Jude patients.

FY2022 was a record-breaking fundraising year, as Team Members raised over \$1.8 million for St. Jude. These outstanding fundraising efforts resulted in JOANN winning the 2021 Spirit of St. Jude Award. This award recognizes a company for embodying the mission of St. Jude and fostering the spirit of philanthropy through thousands of employees and customers. Since the beginning of our partnership in 2017, JOANN Team Members and customers have raised over \$4 million for St. Jude.

On Our Sleeves

On Our Sleeves is a national movement working to provide free mental health educational resources to every community in America to educate families and empower children’s mental health advocates. Continuing to explore ways to support children’s health organizations, JOANN initiated a partnership with On Our Sleeves in 2021. After seeing the toll the COVID-19 pandemic had taken on our nation’s mental health, specifically the shocking statistics around children’s mental wellness, we knew there was a great need for support in this area. In FY2022, JOANN raised more than \$500,000 to support On Our Sleeves through donations at the point of sale in stores and in-store coin boxes.

Additionally, we worked with the clinical psychologists at Nationwide Children’s Hospital to develop crafts and projects focused on emotional empowerment. Kits of these projects were made available for all of the patients at Nationwide Children’s Hospital in Columbus, Ohio. Instructions for the projects were also made available for free on JOANN.com.



Since launching our partnership with St. Jude, JOANN has raised more than \$4 million to support the renowned research hospital.



We’re proud to partner with Nationwide Children’s Hospital to develop projects & raise funds to break the stigma around children’s mental health.

Susan G. Komen

Susan G. Komen saves lives by meeting the most critical needs in our communities by investing in breakthrough research to prevent and cure breast cancer. With women representing about 90% of our customer base, supporting Susan G. Komen to raise awareness and funds to support breast cancer research is critically important to JOANN.

We raised funds through the collection of donations at the point of sale in stores and through our in-store coin boxes. In 2021, Senior Leadership Team Member Ann Aber served as the Executive Chair of the More than Pink Walks in Akron and Cleveland, raising funds to support Northeast Ohio hospitals. In that year, JOANN raised a record amount of funds during a two-month campaign (\$900,000) and even received a nomination for this campaign at the 2021 Halo Awards for Employee Engagement.

National 4-H Council

4-H believes in the power of young people and provides opportunities for kids and teens to complete hands-on projects in areas like health, science, agriculture and civic engagement. By providing guidance from adult mentors and encouraging kids to take on proactive leadership roles, 4-H has engaged nearly 6 million kids and teens to take on critical societal issues, such as addressing community health inequities, engaging in civil discourse and advocating for equity and inclusion for all. JOANN is proud to partner with 4-H to empower and inspire kids and provide them with the tools and resources they need to move forward and reach their full potential. JOANN helps 4-H, and its many community-related programs, through product donation and discount programs for current and alumni members, parents of members, volunteers and 4-H staff. From January 1, 2021 through December 31, 2023, JOANN has committed to donate an aggregate minimum donation of \$1.5 million to National 4-H Council through sponsorship, consumer donations, and a portion of proceeds from select 4-H branded products (\$0.50/yard of 4-H fabric). One hundred percent of this donation benefits the mission of 4-H, to grow new opportunities for all kids and their communities, with support for local 4-H programs. Many JOANN team members are proud 4-H alumni and want to equip all kids with opportunities to learn by doing, creating and making. Additionally, JOANN President & CEO Wade Miquelon has served as Trustee on the National 4-H Council Board since 2019.



Our Team Members are happy to show their support for the Susan. G. Komen Foundation in our stores and in their communities.



We’ve committed to donate at least \$1.5 million to 4-H through sponsorship, consumer donations, and a portion of proceeds from 4-H products.

Inspired Giving

Handmade Heroes

Our studies have shown that nearly one-third of our customers use the products purchased at JOANN to create something that will either be gifted to a loved one or donated to a meaningful cause. It's this passion for "creating to give" that highlights the importance of engaging as a brand in the communities that we are a part of. It's our way of saying 'thank you' to those community members for allowing us to be a part of their traditions and causes.

In honor of celebrating those who create to give, we launched our Handmade Heroes program in 2020. We were inspired by the amazing stories of individuals and organizations making a difference in their communities using their hands, hearts and minds and awarded \$100,000 to various organizations and individuals.

Organizations we honored included: The Magic Yarn Project, who create whimsical wigs and hats for children undergoing cancer treatment and other medical conditions; Flint Handmade, whose mission is to provide a variety of free and affordable creative programs for all ages and abilities in Flint, Michigan; Operation Gratitude, an organization that creates and distributes care packages to service members and first responders; and Brighter Lipstick, Bigger Earrings, a grassroots effort to design and craft colorful earrings for cancer patients. In total, 50 organizations and 100 individuals were honored through this program.

As the nation's leader in fabrics, JOANN serves many organizations that make blankets for various charities, including nursing homes, homeless shelters and hospitals. Founded in 1995, Project Linus is a 501c3 organization with a mission to *Provide love, a sense of security, warmth and comfort to children who are seriously ill, traumatized, or otherwise in need through the gifts of new handmade blankets and afghans, lovingly created by volunteer "blanketeers."*

With chapters nationwide, the organization has donated more than 8.9 million blankets to children in need. JOANN stores proudly serve as blanket collection locations in 360 stores, encouraging customers to give back to a great cause.



FLINT HANDMADE



PRINCESS PILLOWCASE PROJECT



THE MAGIC YARN PROJECT

Team Members Giving Back

Our commitment to our communities begins with our Team Members – that's why Team Member giving and volunteerism are important parts of the JOANN culture. Even amid the COVID-19 pandemic, when in-person interactions were limited, our teams came together to directly impact those in need.

In the fall of 2019, the Lebron James Family Foundation announced the opening of the I PROMISE Village. Located within a few blocks of the I PROMISE School, the Village includes individual living units for students and their families who need a safe, comforting place to stay as they work through challenges they may be facing including homelessness, domestic violence, and other unforeseen circumstances. The Village is intended to provide immediate shelter, safety and support so that students are still able to attend school as we assist the family with a long-term plan for their future success.

In 2021, JOANN signed on as the sponsor of the "Play Hard" craft space. We worked with our team of creative and craft experts to transform their shared community room into a crafts oasis and inspiring haven for Handmade Happiness. To date, we have committed over \$50,000 in monetary donations and supplies. Our Team Members host monthly craft nights for the families, as well as volunteer for the foundation throughout the year.

In FY2022, JOANN donated more than **\$3.5 million** to multiple organizations that align to our core values of education, mental and physical wellness, and of course creativity. Thanks to the generosity of both our Team Members and customers, we are able to make meaningful contributions that impact the communities in which we work and live.



IPROMISE VILLAGE CRAFT NIGHT

NATIONAL FUNDRAISING CAMPAIGNS



ON OUR SLEEVES
The Movement for Children's Mental Health



St. Jude Children's Research Hospital
Finding cures. Saving children.



susan G. komen.

ONGOING NATIONAL PARTNERSHIPS



KIDS IN NEED FOUNDATION



girl scouts



Project Linus
Providing Security Through Blankets

NORTHEAST OHIO COMMUNITY SUPPORT



Akron Children's Hospital



THE LEBRON JAMES FAMILY FOUNDATION

BREAKTHROUGH SCHOOLS



University Hospitals
Rainbow Babies & Children's

40

41

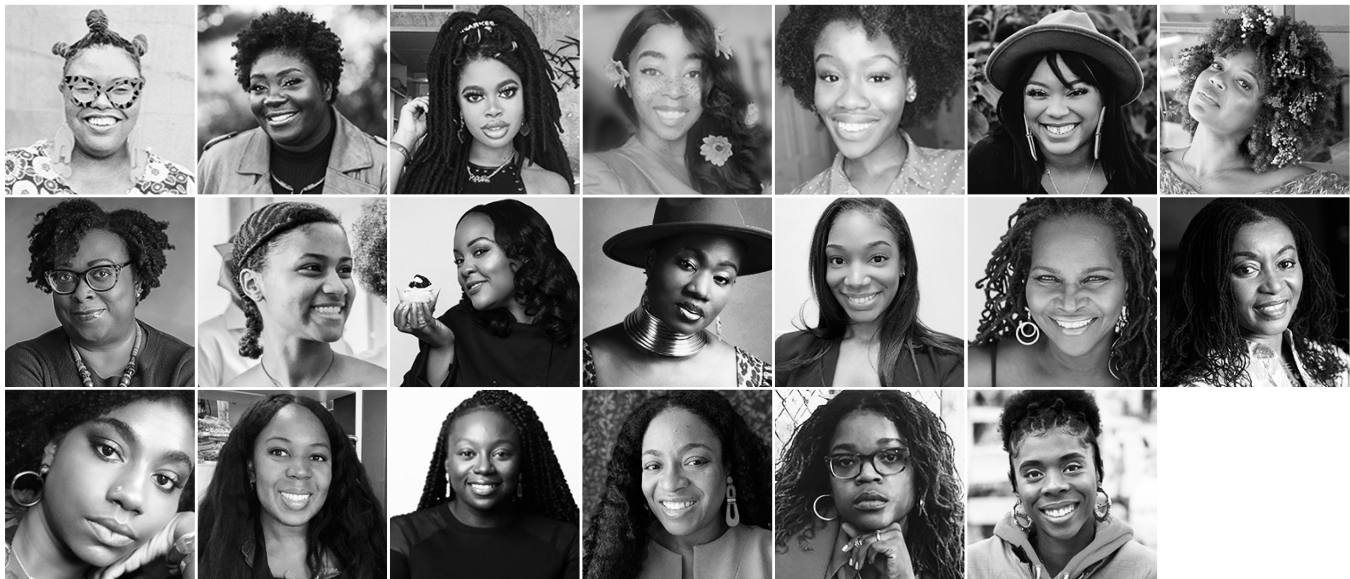
Supporting Diverse Creators

Minority Grant Program

We know it is critically important to give visibility and support to underrepresented communities, and JOANN is committed to shining the spotlight on minority creators. In 2020, JOANN announced its first Minority Creative Grant Program, focused on highlighting Black creative business owners. In FY22, the program focused on the Hispanic community, and JOANN was proud to award 20 small business owners each a \$5,000 grant, product bundles and machines, visibility on JOANN marketing channels, and a roundtable session with executives focused on helping the creators build their businesses.



2021 Winners



2020 Winners

More information at www.joann.com/minority-creative-grants

Product & Marketing Diversity

JOANN also knows the importance of minority creators seeing themselves in our stores, marketing and products. We launched a product diversity initiative in early 2021 to develop assortments to celebrate communities and holidays including Black History Month, Pride, Women’s History Month, Hanukkah, Diwali, and more in FY22.



HISPANIC HERITAGE MONTH FABRIC



BLACK HISTORY MONTH FABRIC



PEACE LOVE & LATKES APRON

JOANN also developed projects and inspiration in collaboration with Diversity Council Team Members and creators who identify in those communities, to ensure we were authentic. Additionally, donations to various organizations were made in conjunction with several of the collections. For instance, to honor the Pride collection, JOANN made a \$25,000 donation to GLSEN, an organization committed to supporting LGBTQ+ youth.

Our Marketing team also works closely with the Diversity Council to ensure all customers see themselves in our promotions, including email, in-store signage, social media and digital advertising. Additionally, the number of diverse social media influencers and content creators that JOANN works with grew by 43% from FY21.



HOLIDAY LOOKBOOK & DIRECT MAIL



HALLOWEEN LOOKBOOK



@MISTER.LARRIE, JOANN INFLUENCER

Governance

At JOANN, we believe that good governance is integral to meeting our corporate objectives and having a positive, lasting impact on our Team Members, our customers and the places where we do business. Highlights of our ongoing commitment to good corporate governance include our Corporate Governance Guidelines, Code of Business Conduct & Ethics, Annual Board and Committee Self-Assessments, Peer Group Compensation Market Assessment, Board Committee Charters, Board Diversity, Independent Compensation Consultant, and Active Board Oversight of Strategy and Business Initiatives.

Board Composition

As of July 31, 2022, JOANN's Board consists of seven Directors whose skills and experience align with our overall business strategy, including our commitment to being a good corporate citizen. As with our broader Team Members, we are acutely aware of the importance of diverse perspectives among our Board of Directors. As currently constituted, our Board is 42.8% female and 14.3% non-white; and has an average age of 53 years and an average tenure on the Board of 5.4 years. Our Board has three standing committees: Audit, Compensation, and Nominating & Corporate Governance. Each have critical oversight responsibilities for the various aspects of our business.



EVERGREEN Strategy Governance

Our EVERGREEN Strategy is driven by our Board, our Chairman and Chief Executive Officer, and a broad collection of Team Members who see sustainability and corporate responsibility as an integral part of JOANN's long-term success. Our Board receives biannual updates on our EVERGREEN strategy and multiple Board committees have oversight responsibility for its various areas.

As an important part of our business moving forward, our EVERGREEN Strategy is a regular topic at team meetings, and by taking a wide approach in building our ESG program, members of our Senior Leadership Team engage with our EVERGREEN Strategy through the course of their regular management and oversight responsibilities. Additionally, multiple members of the Senior Leadership Team are active participants in the development, approval, and internal monitoring of the various measures, programs, and initiatives linked with our EVERGREEN efforts.

The coordination of these efforts is the responsibility of our recently hired Director of Corporate Responsibility, who reports to our SVP, Chief Legal Officer & Secretary. Our Manager of Corporate Responsibility provides both strategic and day-to-day operational leadership on key issues, including but not limited to the development and execution of the EVERGREEN Strategy, measurement of progress, managing public reporting and disclosures, and collaborating across the JOANN organization to drive change.

Responsible Business Practices

Code of Business Conduct and Ethics

At JOANN, we share a legacy of conducting business with the highest levels of integrity. We strive to act in an honest and ethical manner in all our dealings, both internally and externally. Our Code of Business Conduct and Ethics (the Code) applies to all officers, directors, and Team Members at JOANN. Our Code illustrates the shared accountability everyone at JOANN has in conducting our business with honesty and integrity, and covers a variety of topics, including, among others:

- Harassment
- Violence and Intimidation
- Discrimination
- Conflicts of Interest
- Gifts and Entertainment
- Confidentiality of Personally Identifiable Information (PII)
- Accuracy of Reported Financial Information
- Utilization of Company Assets
- Insider Trading
- Compliance with Legal Requirements
- Political Contributions
- Anti-Trust Compliance
- Record Keeping

Our Team Members are critical in the implementation of our Code. If a Team Member becomes aware of a situation in which they believe that our Code has been violated, we provide multiple ways for them to report this information including in person, via email, via mail or by calling the confidential Get Help Hotline if they want to remain anonymous. Team Members are encouraged to ask questions and voice concerns without fear of retaliation.

Vendor Relationship Guide

JOANN's commitment to honesty and ethical behavior extends beyond our Team Members. In addition to our Team Members, we also require the people and companies we do business with to comply with our Code. This requirement is incorporated into our Domestic Vendor Relationship Guide and our Import Vendor Relationship Guide (VRGs). In addition to our Code, the VRGs also contain a specific Vendor Workplace Code of Conduct which, among other things, includes:

- The prohibition of child, indentured, involuntary, or prison labor
- A requirement that workers' wages meet or exceed legal and industry standards
- The maintenance of reasonable employee work hours in compliance with applicable laws
- Compliance with laws addressing human trafficking
- The prohibition of discrimination based on race, color, gender, nationality, age, religion, maternity or marital status, disability, sexual orientation or political opinion
- A requirement to maintain a clean, safe and healthy work environment
- Compliance with applicable laws regarding harassment
- Compliance with all applicable environmental laws
- The prohibition of interference with workers who wish to lawfully and peacefully associate, organize or bargain collectively

Failure to comply with the Vendor Workplace Code of Conduct can result in a variety of penalties for vendors including the implementation of a corrective action plan, cancellation of all open Purchase Orders, termination of the business relationship, payment and indemnification of any associated damages, and/or notification of the responsible authorities.

Anti-Corruption Policy

JOANN's commitment to conducting business in an honest and ethical manner also includes taking steps to limit corruption wherever we do business. All JOANN officers, directors and Team Members are required to comply with the U.S. Foreign Corrupt Practices Act (FCPA) and the anti-corruption laws of other countries where we have operations, source our merchandise, or otherwise do business.

Under this policy, JOANN prohibits bribery and kickbacks in all forms. JOANN and its officers, directors and Team Members may not offer, promise, pay, authorize or provide anything of value, directly or indirectly to any person for the purpose of improperly influencing any act or decision, inducing a government official to use their influence to advance JOANN, or obtaining an unfair business advantage.

Data Privacy and Security

As part of our efforts to provide a high-quality experience to our customers, JOANN leverages technology to help our retail and online store operations run efficiently. We know that our customers trust us to keep their personal information secure. As such, how we handle and manage customer and employee data is a top priority. We utilize multiple technical measures and operational controls to help ensure customer and employee data is kept private and secure. This includes compliance with all required data security and privacy regulations and standards such as the Payment Card Industry Data Security Standard (PCI DSS) and the California Consumer Privacy Act (CCPA). We proactively review our information security policies and procedures to evaluate our ongoing practices and standards, and evaluate our vendors to help ensure that they can meet our technical and security guidelines. To help ensure our system uptime, we routinely conduct tests of our disaster recovery processes which helps ensure efficient reaction to potential vulnerabilities and downtime events.

Enterprise Risk Management

In addition to these policies and practices, we are constantly evaluating potential risk to our operations, Team Members and customers. We have a thorough risk management process, that is designed to identify key business risks which are internal and external to JOANN. This process is led by the Chief Financial Officer and the Internal Audit department and is reported to the Audit Committee and, ultimately, to the Board. In addition to our enterprise risk management process, our Internal Audit department provides independent assurance to our Senior Leadership Team and the Audit Committee around the effectiveness of our Internal Controls over Financial Reporting.

SASB Sustainability Disclosure Topics
and Accounting Metrics (FY 2022)

| TOPIC | ACCOUNTING METRIC | CATEGORY | SASB | DATA |
|--|---|-------------------------|--------------|---|
| Activity Metric | Number of: (1) retail locations and (2) distribution centers | Quantitative | CG-MR-000.A | (1) 848 retail locations and (2) 3 distribution centers and 1 omni fulfillment center as of January 29, 2022 |
| | Total area of: (1) retail locations and (2) distribution centers | Quantitative | CG-MR-000.B | (1) Approximately 18.7 million sq. ft. and (2) approximately 3.3 million sq. ft. |
| Energy Management in Retail and Distribution | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative | CG-MR-130a.1 | (1) 1,013,367 GJ, (2)70%, (3) We are currently conducting an internal review to determine the accurate baseline value for this metric. |
| Data Security | Description of approach to identifying and addressing data security risks | Discussion and Analysis | CG-MR-230a.1 | As part of our efforts to provide high quality products and services to our customers, JOANN leverages technology to help our retail and online store operations run efficiently. Through this, our customers trust us to keep their personal information secure. As such, how we handle and manage customer and employee data is a priority. We have multiple methods to help ensure customer and employee data is kept private and secure. We proactively review our information security policies and procedures to evaluate our ongoing practices and standards. We evaluate our vendors through questionnaires to help ensure that they can meet our technical and security guidelines and we generally require the inclusion of certain clauses within our vendor contracts as appropriate. Additionally, we review Service Organization Controls reports when available. To help ensure our system uptime, we routinely conduct tests of our disaster recovery processes which helps ensure efficient reaction to potential vulnerabilities and downtime events. |
| | (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected | Quantitative | CG-MR-230a.2 | JOANN had no reportable data breaches in FY 2022. |

Data Tables

As detailed in the discussion of our EVERGREEN Strategy, the Sustainability Accounting Standards Board (SASB) standards provide the basis of this initial report. SASB has developed 77 industry specific sustainability accounting standards, and using the SASB Materiality Map tool, JOANN is categorized into the Multiline and Specialty Retailers and Distributors classification.

As such, we are reporting data, where available, for eleven SASB accounting metrics across five material topic areas. While SASB has recently been absorbed into the IFRS Foundation, it is still a valuable tool as the International Sustainability Standards Board (ISSB) standards will build on SASB’s industry-based standard.

SASB Sustainability Disclosure Topics
and Accounting Metrics (FY 2022)

| TOPIC | ACCOUNTING METRIC | CATEGORY | SASB | DATA |
|-----------------|---|--------------|--------------|---|
| Labor Practices | (1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region | Quantitative | CG-MR-310a.1 | (1) \$13.30 per hour and (2) 31% |
| | (1) Voluntary and (2) involuntary turnover rate for in-store employees | Quantitative | CG-MR-310a.2 | (1) 95.2% and (2) 4.6% |
| | Total amount of monetary losses as a result of legal proceedings associated with labor law violations | Quantitative | CG-MR-310a.3 | Any monetary losses from legal proceedings associated with labor law violations that meet public disclosure criteria would be reported in the 2021 Form 10-K. |

SASB Sustainability Disclosure Topics
and Accounting Metrics (FY 2022)

| TOPIC | ACCOUNTING METRIC | CATEGORY | SASB | DATA |
|---|--|-------------------------|--------------|--|
| Workforce Diversity and Inclusion | Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees | Quantitative | CG-MR-330a.1 | (1) 85.4% female, 14.6% male, 1.6% Asian, 6.1% Black,9.0% Hispanic or Latino, 79.9% White, 3.3% Other and (2) 85.7% female, 14.3% male, 3.0% Asian, 8.4% Black, 12.5% Hispanic or Latino, 71.5% White, 4.5% Other |
| | Total amount of monetary losses as a result of legal proceedings associated with employment discrimination | Quantitative | CG-MR-330a.2 | Any monetary losses from legal proceedings associated with employment discrimination that meet public disclosure criteria would be reported in the 2021 Form 10-K. |
| Product Sourcing, Packaging and Marketing | Revenue from products third-party certified to environmental and/ or social sustainability standards | Quantitative | CG-MR-410a.1 | We do not currently track this SASB Accounting Metric. We are reviewing potential methodologies that will allow this value to be determined in future reporting periods. |
| | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Discussion and Analysis | CG-MR-410a.2 | Our Quality and Compliance Team serves our customers by providing safe and quality merchandise that is manufactured responsibly. JOANN complies with all applicable regulations, industry standards and Federal, state and local testing requirements for product safety. We have a Quality and Compliance Guide which outlines JOANN's approach and our vendor's responsibilities relative to our factory audit program, production ready sample process, quality control inspection program, testing program, and chemical review process. |
| | Discussion of strategies to reduce the environmental impact of packaging | Discussion and Analysis | CG-MR-410a.3 | The packaging our products come in are a significant opportunity to advance our sustainability efforts. To help us leverage this opportunity, we follow a series of Sustainable Packaging Principles, including: sourcing with intent, designing for efficiency to avoid using unnecessary material, designing for distribution to minimize the use of certain materials in shipping cartons, and designing for reuse/recyclability. |