

JCPenney Commits to Closing the Opportunity Gap for Underserved Youth

Retailer to designate community donations and grants to ensure kids have the resources they need to succeed

PLANO, Texas – **(Aug. 1, 2018)** – In an effort to address the disparity of resources and opportunities needed for all children to be successful, JCPenney, along with the JCPenney Communities Foundation, will designate \$4 million in donations and grants this year to assist in closing the opportunity gap for underserved youth. These funds will be used to support various schools, universities and non-profit organizations across the country to provide essential clothing needs, access to youth development programs and career readiness support.

"Founded on the Golden Rule, JCPenney has a rich legacy rooted in giving back. As one of the largest apparel and home retailers in the U.S. with over 98,000 associates, we have the means to make a significant impact in closing the opportunity gap and providing all kids, regardless of their background or circumstance, access to the resources they need to succeed," said Brynn Evanson, executive vice president of human resources for JCPenney and chairman of the JCPenney Communities Foundation. "Through this charitable focus, we will assist at-risk youth build the confidence they need to stay engaged in school, graduate and prepare for a rewarding career, helping to bridge the gap between potential and success."

Today, significant gaps in opportunity continue to persist, particularly among African-American and Hispanic children from low-income households, who are the most at risk of not graduating high school or getting the formal training they need to secure a job*. In fact, over the past 25 years, the gap in elementary and secondary school performance between children from low-income and high-income families has grown by 40 percent**. Educators, civic leaders and researchers agree that the opportunity gap among the nation's youth may be the greatest crisis facing American schools***.

JCPenney customers and associates are invited to join the Company in its commitment to addressing this important cause. When shopping in-store or online, JCPenney shoppers can round up their purchase to the nearest dollar and donate the difference to the JCPenney Communities Foundation. Furthermore, the retailer is empowering each of its more than 860 stores to select a local organization in their area to receive a grant from the JCPenney Communities Foundation. The JCPenney Communities Foundation will provide \$1.3 million in grants to the selected local organizations to support initiatives aimed at closing the opportunity gap.

Providing School Uniforms for Students

When kids do not have essential clothing items, they often feel insecure, embarrassed and do not want to fully engage in school activities. To ensure more kids have the basic items they need, JCPenney has partnered with IZOD® to provide 3,000 school uniforms to seven schools in the Dallas Independent School District as part of the Pat & Emmitt Smith Charities annual back-to-school event. The JCPenney Communities Foundation will also donate \$50,000 to the After-School All-Stars organization to provide students at E.H. Cary Middle School in Dallas school uniforms and other essential needs such as hygiene kits, shoes and items for the school's clothing closet.

Engaging Kids in High-Quality Development Programs

Involvement in high-quality youth development programs is key to providing kids additional support that will allow them to reach their full potential. JCPenney works with organizations to provide local youth access to programs that offer learning enrichment in a safe, positive environment where kids have an opportunity to engage in sports, receive assistance with their homework, work with mentors and more.

As the official sponsor of the After-School All-Stars North Texas program at E. H. Cary Middle School, the JCPenney Communities Foundation provided a three-year grant that enables middle school students, an age-group often underserved when it comes to afterschool opportunities, to remain on-site at their school and participate in high-quality afterschool programming at no cost. The JCPenney Communities Foundation has also partnered with After-School All-Stars to provide \$200,000 to support the organization's chapters in Miami, Orlando and Tampa. These funds will allow the organization to increase the number of students it serves who were impacted by Hurricane Irma.

Along with a <u>cause marketing campaign supporting the YMCA</u> this back-to-school season, a \$500,000 donation from the JCPenney Communities Foundation has been designated to <u>the Y</u> to support the organization's key programs. This includes Y Achievers, a college readiness and career exploration program designed to help underserved, first generation college bound and minority teens achieve higher education, and Power Scholars Academy, a six-week summer learning program aimed at tackling summer learning loss. The retailer also hosted a special event at its Home Office in Plano, TX with the Moorland Family YMCA. The event provided Y kids an opportunity to meet with JCPenney executives, learn more about a career in retail and participate in fun activities with the Company's merchandising and human resource teams. The JCPenney Communities Foundation also treated Y kids attending the event to a \$100 JCPenney gift card and a chance to win a \$2,500 shopping spree to assist with back-to-school shopping.

Ensuring Youth are Career Ready

JCPenney has partnered with select colleges to assist eligible students with access to professional attire when they go on their first job interview. The retailer offers an on-campus career clothing closet to Paul Quinn College in Dallas, providing the majority of low-income students attending the college a friendly, shop-like environment stocked with an array of stylish career wear looks. Additionally, JCPenney has launched a "Suit Yourself" program with the University of Memphis, providing students that meet selected criteria an opportunity to attend a JCPenney in-store event where they receive a professional attire consultation, style guide and fitting, as well as \$150 gift card toward a selection of appropriate attire.

Furthermore, an additional Company program, "Suit Up," enables JCPenney stores across the country to partner with nearby colleges and universities to offer a private, in-store shopping event for students seeking direction on appropriate career attire. Store associates are on hand to assist each student, who are provided a special discount on their purchase. JCPenney is also one of the founding members of the 100,000 Opportunities Initiative, the largest employer-led coalition focused on hiring "opportunity youth" – an untapped source of talent made up of the 4.6 million American youth aged 16-25 years old who are out of school and not working. At select 100,000 Opportunities Initiative job and reservouce fairs, the retailer hosts an on-site interactive booth offering attendees styling advice and fashion tips for the workplace.

For more information on how JCPenney is supporting helping to close the opportunity gap visit jcp.com/community.

^{* &}quot;The Condition of Education 2012" – United States Department of Education, National Center for Education Statistics

^{** &}quot;The Economic Impact of the Achievement Gap on America's Schools" – McKinsey & Company, 2009

^{*** &}quot;The Widening Academic Achievement Gap Between the Rich and the Poor: New Evidence and Possible Explanations" – Sean F. Reardon, Stanford University, 2011

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About JCPenney:

J. C. Penney Company, Inc. (NYSE: JCP), one of the nation's largest apparel and home retailers, combines an expansive footprint of over 860 stores across the United States and Puerto Rico with a powerful ecommerce site, jcp.com, to deliver style and value for all hard-working American families. At every touchpoint, customers will discover stylish merchandise at incredible value from an extensive portfolio of private, exclusive and national brands. Reinforcing this shopping experience is the customer service and warrior spirit of approximately 98,000 associates across the globe, all driving toward the Company's mission to help customers find what they love for less time, money and effort. For additional information, please visit jcp.com.

About the JCPenney Communities Foundation:

The JCPenney Communities Foundation is a 501(c)(3) public charity supporting programs that help close the opportunity gap for underserved youth through essential clothing needs, access to youth programs and career readiness support, along with disaster relief assistance. Through the support of JCPenney customers and the Company's 98,000 associates worldwide, the JCPenney Communities Foundation is committed to ensuring that every child, regardless of their background or circumstance, has the opportunity to be successful. For more information visit www.jcp.com/community.