

ASSOCIATE FURLOUGH FAQs | UNITED STATES

AEO has placed me on a temporary furlough – what does that mean?

A furlough is a temporary, unpaid leave of absence due to business conditions resulting from COVID-19. You remain employed by AEO. The expectation is for associates to return to work when business conditions return to normal.

While on a temporary furlough, can I file for unemployment?

Yes! Please contact your state unemployment agency to initiate a claim immediately. AEO will notify your state's unemployment office of your unpaid, temporary furloughed status. Visit the AEO microsite at www.aeo-inc.com/associates-faq/ and click on "Unemployment Websites by State & Information Needed to File a Claim" for specific details and tips on filing a claim.

Will AEO cover 100% of the cost of my health benefits while I am on a temporary furlough?

If you are currently enrolled in AEO medical/prescription drug, dental and vision benefits, those benefits will continue and AEO will pay for 100% of the premiums to keep these active through the month of May. Your employer-paid life insurance, AD&D, short-term disability insurance & long-term disability insurance will also continue. We will continue to assess the anticipated length of the temporary furlough and provide you with updated information beyond May.

Can I use my paid time off (PTO) during the furlough?

No. A furlough is a mandatory, unpaid leave. If required by law, we will include a payout of all or a portion of your accrued but unused PTO balance in your final paycheck. Otherwise, your PTO balances will remain intact and will be available to you upon your return to work, but will not accrue during this time.

How long will this last?

We do not know how long the country and AEO will be impacted by the COVID-19 outbreak. We will continue to monitor the situation and listen to our federal, state and local governments. AEO's primary objective is to care for the welfare of our associates while sustaining the continued success of AEO.

Will my system access continue?

AEO system access will remain active during the temporary furlough (with the exception of NEST), however please remember that any individuals who are on furlough have been advised not to perform any work from the day you are placed on temporary furlough. Please ensure any of your equipment or materials are safely maintained at home.

How will AEO keep me informed?

Store associates will be contacted by their supervisor once the temporary furlough is complete, either via Zipline or REAL Rewards. Corporate associates will be contacted by email or phone.

What if I am on a Leave of Absence or am expecting to be on a Leave of Absence?

Call the Benefits Department at 1.724.779.5678 (Press 6, Press 2, Press 2) to discuss all of your options with AEO's Benefits Specialist.

What other benefits will I have access to?

- The standard associate discount will be available to use at ae.com and aerie.com. Associates will continue to receive a weekly, one-time use barcode via the Real Rewards app.
- All associates will continue to have access to AEO's Employee Assistance Program through Cigna, by contacting 1-800-CIGNA24 (1-800-244-6224).
- A 24-hour COVID-19 toll-free help line (1.866.912.1687) is available to speak with behavioral health clinicians who can provide one-on-one support.
- All full-time associates will have access to Caregiver benefits through Cigna, to provide those taking care of aged or elderly family members support and resources. Call 1.877.852.6139, Monday-Friday, 7 a.m. – 7 p.m. CST.
- Associates enrolled in AEO's medical insurance with Cigna have access to the following mental health benefits during the temporary furlough:
 - *Behavioral Telehealth through Cigna & MDLive*
 - *Happify: a gamified resilience-building program*
 - *iPrevail: a peer-to-peer program to provide support with depression, anxiety and grief*
- AEO will cover 100% of the following services for all associates and dependents enrolled in AEO's medical insurance. This will ensure that associates have no out-of-pocket expenses for the following COVID-19-related services through May 31, 2020:
 - *Treatment related to COVID-19*
 - *Office visits at PCP, Urgent Care or Emergency Room*
 - *Telehealth visits related to COVID-19*
 - *The COVID-19 diagnostic test, prescribed and administered by a doctor*
- Update: AEO has updated all medical plans to cover medical Telehealth visits at 100% coverage, ensuring that all associates and dependents enrolled in AEO's medical insurance plans through Cigna have access to doctors through MDLive or AmWell at no cost. Visit www.myCigna.com or download the myCigna mobile app to access your Telehealth benefits.

What other benefit programs have been impacted by the furlough?

- If you are enrolled in a Dependent Care Flexible Spending Account, you are not able to use these funds to cover eligible childcare expenses when you are on a leave (due to not being at work).
- All other accounts, including the Healthcare Flexible Spending Account (FSA), Limited Purpose Flexible Spending Account (LPFSA), Health Savings Account (HSA) and the Health Reimbursement Account (HRA) will continue to function normally and can be used for eligible expenses.
- For NY and San Francisco: Commuter benefits can be elected by the 7th of each month, for the following month.
- Life insurance (1x salary) and AD&D insurance (1/2x salary) are going to continue to be active, AEO-paid benefits during the furlough.
- Accident Insurance, Critical Illness Insurance, Spousal Critical Illness Insurance and Hospital Indemnity Insurance are suspended during a furlough and can be reinstated at the end of the temporary furlough, as long as it does not exceed 90 days. The time period that the furlough exists will be considered a "gap" in coverage, meaning that no

What benefits will end during the furlough?

Voluntary/Supplemental Life Insurance, Spousal Life Insurance and Dependent Child Life Insurance will be canceled. Anyone enrolled in these benefits will receive a conversion

package at their home address.

What will happen with my 401(k) loan(s)?

Any missed 401(k) loan(s) payments will not be withheld through payroll deductions upon your return. Considering that a "furlough" is considered an unpaid leave of absence, you have a few options in regards to your loan repayments. Participants with this status are able to defer loan payments while on a leave for up to 12 months, as long as the status does not change. You can also mail in regular payments or set up reoccurring payments while on furlough. Your loan payments would resume through payroll deductions upon having your status change back to "active". You should expect communication from Fidelity once the first loan payment has been missed, which will include specific instructions on how to continue payments if you wish to do so. If you have any questions regarding the status of your loan(s), you can reach Fidelity at 1-800-835-5095.

What happens with my 401(k) account?

Your 401(k) account will continue to be invested as it is today, but you won't have any contributions. You can continue to make changes to your investments at www.netbenefits.com and may be eligible for a hardship distribution if you are directly affected by COVID-19. Please contact Fidelity at 1-800-835-5095 for additional information.

Can I trade my stock in the Employee Stock Purchase Plan?

The trading window is open until April 10th; trades can only occur when the window is open. You may change your Employee Stock Purchase Plan (ESPP) contribution by the 20th of the current month in order for changes to take place the 1st of the following month. Please visit www.netbenefits.com or call Fidelity at 1-800-835-5095.

Please read: The Coronavirus Aid, Relief and Economic Security (CARES) Act was enacted on March 27, 2020. Please visit www.netbenefits.com or call Fidelity at 1-800-835-5095 to review these changes.