American Eagle Outfitters Inc. - Climate Change 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

American Eagle Outfitters (NYSE: AEO) is a leading global specialty retailer offering high-quality, on-trend clothing, accessories and personal care products at affordable prices under its American Eagle® and Aerie® brands. We are an inclusive, optimistic and empowering company that celebrates the individuality of our customers and associates. Our purpose is to show the world that there's REAL power in the optimism of youth.

The company operates more than 1,100 stores in the United States, Canada, Mexico, and Hong Kong, and ships to 81 countries worldwide through its websites. American Eagle and Aerie merchandise also is available at more than 200 international locations operated by licensees in 24 countries.

Doing the right thing, continually innovating and caring about the global community is foundational to AEO's culture. In 2019, we unveiled a comprehensive plan to be carbon neutral by 2030 with a commitment to water reduction, energy reduction and the use of more sustainable raw materials. This work is highlighted in our Real Good products, which is how customers can identify the most sustainable items in our American Eagle and Aerie collections. Real Good is our promise to doing better and working harder. We pledge to accelerate sustainability improvements across our company, guided by a corporate purpose that is rooted in the optimism of youth and a promise to help build a better world for all of our stakeholders.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	February 1 2021	January 31 2022	Yes	1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

Canada
China
Hong Kong SAR, China
Mexico
Puerto Rico
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	Board-level oversight of all sustainability issues, including climate-related issues, is undertaken by the Nominating, Governance and Corporate Social Responsibility Committee of the board. This committee, comprised of six directors, reports to the full board on ESG-related activities and is responsible for social corporate responsibility, sustainability and other corporate governance matters. The committee receives quarterly written reports on AEO's progress against its sustainability goals as well as semi-annual in-person or virtual presentations from the VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals.
Chief Operating Officer (COO)	The Executive Vice President and Chief Operating Officer (COO) leads all aspects of Supply Chain including production, sourcing, logistics, and distribution. He also oversees Technology, Digital Commerce, and Corporate Strategy. The COO oversee all company direct operations, including logistics & DCs as well as sourcing operations, which are key areas of impact with regards to climate change and sustainability. Part of the COO's responsibilities include Responsible Sourcing, which houses the team working on sustainability and climate. The COO meets with those responsible for program implementation throughout his reporting line on a monthly basis to review progress and opportunities towards goals, including sustainability. The VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals, reports up to the COO.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	Board-level oversight of all sustainability issues, including climate-related issues, is undertaken by the Nominating, Governance and Corporate Social Responsibility Committee of the board. This committee, comprised of six directors, reports to the full board on ESG-related activities and is responsible for social corporate responsibility, sustainability and other corporate governance matters. The committee receives quarterly written reports on AEO's progress against its sustainability goals as well as semi-annual in-person presentations from the VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	We use a few criteria to address the competencies of board members on climate-related issues. These include; certified relevant coursework, ESG-related roles on other company boards and continuing education in the form of forums, conferences, summits, etc. We have a board member who meets all of these outlined criteria. They are enrolled in the Competent Board's ESG certification program and sit on boards at two other companies with a climate and ESG focus. They also continue their education informally at forums and summits.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Operating Officer (COO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Board-level oversight of all sustainability issues, including climate-related issues, is undertaken by the Nominating, Governance and Corporate Social Responsibility Committee of the board. This committee, comprised of six directors, reports to the full board on ESG-related activities and is responsible for social corporate responsibility, sustainability and other corporate governance matters. The committee receives quarterly written reports on AEO's progress against its sustainability goals as well as semi-annual in-person or virtual presentations from the VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals.

In addition to this committee, an Executive Sustainability Committee meets quarterly and is responsible for overall governance and accountability towards the company's sustainability goals. This committee is sponsored by the President of AE & Aerie and the COO and is made up of the top leadership (VPs, SVPs, and EVPs) for stores, finance, logistics & transportation/DCs, production, merchandising, strategy, design, investor relations/communications, marketing, digital, and legal.

The Executive Vice President and Chief Operating Officer (COO) leads all aspects of Supply Chain including production, sourcing, logistics, and distribution. He also oversees Technology, Digital Commerce, and Corporate Strategy. The COO oversee all company direct operations, including logistics & DCs as well as sourcing operations, which are key areas of impact with regards to climate change and sustainability. Part of the COO's responsibilities include Responsible Sourcing, which houses the team working on sustainability and climate. The COO meets with those responsible for program implementation throughout his reporting line on a monthly basis to review progress and opportunities towards goals, including sustainability. The VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals, reports up to the COO.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, not currently but we plan to introduce them in the next two years	All sourcing and production roles will be required to include a goal to further implement AEO sustainability goals, including our climate goals, in 2022.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	
Long-term	5	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive strategic impact on American Eagle Outfitter's business is defined as the occurrence of one or more circumstances or events that could have a material adverse effect on our business, financial condition, or results of operations. In a climate change context, substantive strategic impact refers to physical or transitional climate risks that could have a material adverse effect on our business, financial condition, or results of operations.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Every two years

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
In 2020, AEO conducted a Materiality Assessment to prioritize all of the important topics that are a part of our program, including climate and energy. We identified a list of potential material topics by reviewing external standards and peers and gathered input from our associates, customers, non-profit organizations, industry groups, and peers to understand how to best rank the identified environmental, supply chain/human rights, and governance/corporate issues. This analysis is a living document, and we will periodically reassess this ranking to continually check that we are going in the right direction. This is a foundation for our program and our focus on climate & energy. In addition, we factor in climate change risks and opportunities into many aspects of our business including raw material sourcing, supply chain, and operations. For example, when identifying our preferred materials for our Real Good program and sustainability goals we evaluated the climate impacts as a key factor. This also helps our scope 3 reduction goal to reduce emissions in our purchased goods and services. We relied on climate science and the impacts of not addressing climate change when setting our SBT and RE100 goals. We set the most ambitious science-based target, aligned with a 1.5 degree scenario to make sure we are doing our part to address climate. In addition, to reduce purchased goods and services, we our partnering with our manufacturers to reduce energy and water usage and transition to renewable energy throughout our operations.

Value chain stage(s) covered
Direct operations
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
The Internal Audit team at AEO conducts an annual risk review for the company. This involves interviewing department heads about risks related to their scopes of work to make sure the company is adequately assessing and monitoring short and long-term risks. The VP - Responsible Sourcing & Sustainability, directly responsible for the company's social and sustainability initiatives, is interviewed each year to review sustainability topics, including climate change.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	AEO monitors regulation in all markets we operate in. As our main operations are located in the United States we have yet to see a major risk of regulation in the climate space, though we keep an eye on any changes to that over time.
Emerging regulation	Relevant, sometimes included	AEO monitors regulation in all markets we operate in. As our main operations are located in the United States we have yet to see a major risk of regulation in the climate space, though we keep an eye on any changes to that over time.
Technology	Not relevant, explanation provided	AEO sees technology as an opportunity, not a risk. New technology will enable us to increase efficiency in our operations and supply chain. To date we have been able to take advantage of LED lighting and HVAC improvements to reduce our energy consumption. In our supply chain we also see new technology as a way to further improve resource efficiency at our suppliers by reducing energy and water costs. We are also in the process of exploring on-site solar generation. New technologies that enable textile-to-textile recycling will present an opportunity to embrace the circular economy.
Legal	Relevant, always included	AEO may face legal risk in on-product sustainability claims. We have internal processes set up to ensure that our claims are accurate, including recycled and organic certifications, referencing the US Federal Trade Commission's "Green Guides". We have not currently experienced any legal risk directly related to climate change.
Market	Relevant, not included	The apparel retail industry is increasingly competitive and has been undergoing large shifts in format to digital, accelerated by the Covid 19 pandemic. Customers are increasingly aware of and focused on climate change and other negative environmental impacts from apparel manufacturing. Along with this comes an increased preference from consumers to purchase their clothing from brands and retailers who are actively and effectively addressing their own climate impacts. If we do not shift our manufacturing to address our climate risks consumers may choose to purchase their apparel from brands who do.
Reputation	Relevant, sometimes included	Customers are increasingly aware of and focused on climate change and other negative environmental impacts from apparel manufacturing. Along with this comes an increased preference from consumers to purchase their clothing from brands and retailers who are actively and effectively addressing their own climate impacts. If we do not shift our manufacturing to address our climate risks consumers may choose to purchase their apparel from brands who do. By increasing the number of sustainable products we offer through our "Real Good" program we can show current and new customers that we take seriously our commitments to reduce our climate impacts.
Acute physical	Not evaluated	AEO has not yet completed a full risk analysis on the acute physical impacts of climate change but plans to do so.
Chronic physical	Not evaluated	AEO has not yet completed a full risk analysis on the chronic physical impacts of climate change but plans to do so.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Raw material prices, such as cotton, have been on the rise and will only continue to rise as climate change decreases availability of resources and raw materials. Availability of more sustainable raw materials may also be limited and may represent a price premium in the short term.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

It is difficult to pinpoint exactly what cost increases will come from virgin raw material shortages. We can reduce the risk here by transitioning to alternative materials sources. In the short term some sustainable materials may come at a price premium.

Cost of response to risk

Description of response and explanation of cost calculation
AEO is transitioning to more sustainable raw materials, such as recycled polyester and nylon, and more sustainably produced cotton. We are currently sourcing 59% more sustainable cotton as Better Cotton, 16% recycled polyester, and 14% recycled nylon. This move should help us reduce risks associated with virgin raw materials sourcing and help build the market for sustainable materials.

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
The apparel retail industry is increasingly competitive and has been undergoing large shifts in format to digital, accelerated by the Covid 19 pandemic. Customers are increasingly aware of and focused on climate change and other negative environmental impacts from apparel manufacturing. Along with this comes an increased preference from consumers to purchase their clothing from brands and retailers who are actively and effectively addressing their own climate impacts. If we do not shift our manufacturing to address our climate risks consumers may choose to purchase their apparel from brands who do.

Time horizon
Long-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
It is hard to anticipate the impact of potential loss of revenue due to a shift away from buying apparel items from brands who do not adequately manage their environmental impacts but these shifting attitudes could cut into our brands' revenue without appropriate action.

Cost of response to risk

Description of response and explanation of cost calculation
AEO has set ambitious climate goals, approved by the Science-based Targets Initiative in order to address our emissions in line with climate science. We are also transitioning to more sustainable materials through our Real Good program. The “REAL Good” badge was developed to identify AE and Aerie products made from more sustainable raw materials, like recycled fibers, or products that were manufactured using more sustainable techniques, such in a factory that meet expectations for AEO’s Water Leadership Program. REAL Good styles include lots of feel-good, good-for-the-planet materials that have been sustainably produced and/or sourced, such as: recycled polyester, recycled nylon, and cotton that’s recycled, organic, and/or sourced as Better Cotton. AEO production teams are continually working to expand "Real Good" product offerings across our assortment to offer to our consumers.

Comment

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Reputation	Stigmatization of sector

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
The apparel retail industry is increasingly competitive and has been undergoing large shifts in format to digital, accelerated by the Covid 19 pandemic. Customers are increasingly aware of and focused on climate change and other negative environmental impacts from apparel manufacturing. Along with this comes an increased preference from consumers to purchase their clothing from brands and retailers who are actively and effectively addressing their own climate impacts. This includes an increased demand for purchase of apparel in different formats, i.e. resale. If we do not shift our manufacturing to address our climate risks the negative perception of the industry may push consumers away from purchasing from brands like ours and towards vintage and second-hand retailers.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
It is hard to anticipate the impact of potential loss of revenue due to a shift away from buying new apparel items from brands but these shifting attitudes could cut into our brands' revenue without appropriate action.

Cost of response to risk

Description of response and explanation of cost calculation
AEO has set ambitious climate goals, approved by the Science-based Targets Initiative in order to address our emissions in line with climate science. We are also transitioning to more sustainable materials through our Real Good program. The “REAL Good” badge was developed to identify AE and Aerie products made from more sustainable raw materials, like recycled fibers, or products that were manufactured using more sustainable techniques, such in a factory that meet expectations for AEO’s Water Leadership Program. REAL Good styles include lots of feel-good, good-for-the-planet materials that have been sustainably produced and/or sourced, such as: recycled polyester, recycled nylon, and cotton that’s recycled, organic, and/or sourced as Better Cotton. AEO production teams are continually working to expand "Real Good" product offerings across our assortment to offer to our consumers.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Reduced direct costs

Company-specific description
Transitioning to renewable energy is not only important for our climate strategy, it is also an opportunity to reduce AEO's direct energy costs.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
AEO has just completed its renewable energy roadmap in which we have laid out how will we prioritize and implement the transition to renewable energy. While not all of the renewable energy sourcing options we have will lead to a cost savings, one that will is on-site solar generation. We are currently investigating the installation of solar panels on our distribution centers in the US. While there will be an initial capital expenditure to install the panels, there will be an immediate reduction in energy costs and will create annual savings after a payback period.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
We have surveyed our consumers and found that they are very passionate about sustainability and human rights. As awareness among our key demographic rises on issues such as climate change we have an opportunity to capitalize on the desire of our current and potential new customers to purchase their clothing from a company who is taking action on climate change and environmental stewardship. For example, we can increase the percentage of products we sell that have recycled materials and lower waste production.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
While it is difficult to predict how sales would increase due to an increase in sustainable product offerings, these offerings could attract and retain customers.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
The “REAL Good” badge was developed to identify AE and Aerie products made from more sustainable raw materials, like recycled fibers, or products that were manufactured in a factory that meet expectations for AEO’s Water Leadership Program. REAL Good styles include lots of feel-good, good-for-the-planet materials that have been sustainably produced and/or sourced, such as: recycled polyester, recycled nylon, and cotton that’s recycled, organic, and/or sourced as Better Cotton. AEO production teams are continually working to expand "Real Good" product offerings across our assortment to offer to our consumers.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Upstream

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient modes of transport

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Upstream transportation costs (factory to transloader to distribution center) are highly dependent on the mode and speed of transportation and have increased due to the Covid 19 pandemic. Downstream shipment costs (distribution centers to consumers) in part rely on the number of shipments.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
While we do not have an exact cost figure, the faster the transport (i.e. air) the more expensive. Ocean freight is a much more cost effective transportation method.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
Over the past few years we have worked to transition more of our inbound transportation to ocean freight. In addition, we have been working to reduce split shipments, where multiple items from one order are shipped separately, reducing the number of downstream shipments to consumers, which has led to a reduction in emissions and costs.

Comment

Identifier
Opp4

Where in the value chain does the opportunity occur?
Upstream

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Reduced water usage and consumption

Primary potential financial impact
Reduced direct costs

Company-specific description
Manufacturing costs influence the overall cost of each garment. Being able to help our suppliers reduce water consumption will reduce their costs and therefore the final cost for AEO to purchase the garment.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have seen a 21% decrease in water usage in our product line from the suppliers participating in our Water Leadership program, which has immediate savings for sourcing from countries with high water costs.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
Apparel production involves a large quantity of water and needs to be treated properly. In 2013, we launched the AEO Wastewater Management Standard to provide factories with guidance on how to properly manage water and make sure that water is safe before it is discharged. In 2017 we launched the Water Leadership Program with our denim factories. This program sets expectations for our factories on wastewater, water reduction, and water recycling. Our expectations are building each year as we work with our factories toward meeting our overall water goals. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business. Through this program, we have decreased the water used per jean by 36%, and increased the amount of water recycling to 44%. With these efforts, our factories have saved over one billion gallons of fresh water a year.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

AEO has many of the pieces of an eventual transition plan in place but has not yet pulled all of the documentation together into a formal transition plan. We plan to continue to develop our strategy and plans over the next two years and collate everything into a formal transition plan.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Important but not an immediate priority	AEO has recognized the need to conduct a climate-related scenario analysis to further inform our understanding of risks and opportunities, build out our strategy and transition plans, and further imbed our climate priorities throughout the business. Until recently, we were not developed enough in the maturity of our program to be ready to engage internal stakeholders in this exercise but now are ready. Additionally, we did not have the resources to complete this work in 2021. We are planning to being the climate-related scenario analysis process in 2022.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	In completing our scope 3 baseline and setting emissions reduction targets, we identified that our purchased good and services, including raw materials, have a significant impact on our overall GHG footprint. We recognize the importance on lowering our GHG emissions in order to combat climate change and one key way we plan to accomplish this is by switching to more sustainable and lower-carbon raw materials. Switching to more sustainable raw materials (i.e. recycled or responsibly grown) will help insulate us from being reliant on dwindling virgin raw materials as climate change affects growing conditions for cotton and other fibers. Switching to more sustainable raw materials also allows us to take advantage of new, innovative materials and meet a consumer demand for more sustainable products.
Supply chain and/or value chain	Yes	In completing our scope 3 baseline and setting emissions reduction targets, we identified that our purchased good and services have a significant impact on our overall GHG footprint. We recognize the importance on lowering our GHG emissions in order to combat climate change and one key way we plan to accomplish this is by engaging our supply chain to lower GHG emissions in manufacturing. We have begun this journey by collecting metrics on supplier energy performance via the SAC's Higg Facility Environmental Module (FEM). We are currently piloting mill improvement programs, such as the Apparel Impact Institute (AII) Clean By Design program, as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions. This helps build strategic relationships with suppliers and provides benefits to both parties. In the next few years, climate change performance and metrics will be factored into vendor scorecards to incentivize our suppliers to do their part to reduce GHG emissions, which will factor into sourcing decisions.
Investment in R&D	Not evaluated	
Operations	Yes	While the majority of our GHG footprint comes from our supply chain, our operations still play an important role in our impact on the climate and are an area we can more easily control so we have taken a number of steps to address climate-related risks and opportunities in our operations. These include increasing energy efficiency by retrofitting our entire fleet of stores with LED lighting, installing energy management systems in stores, certifying our Hazleton Distribution Center to LEED Silver and our Mexico corporate office to LEED Platinum. In addition, we have set a goal to be 100% powered by renewable energy by 2030 to reduce our dependence on fossil fuels and insulate the business from potential rising costs associated with fossil fuels. All of these steps help us reduce our risk of being dependent on fossil fuels and allow us take advantage of the opportunity to create savings while saving energy.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs Capital expenditures Capital allocation	When the board approved the AEO climate goals in 2019 they approved a budget to cover emission reduction activities through 2030 to meet those reduction goals. For example, AEO has contracted with our energy suppliers in deregulated markets in the US to purchase renewable energy for our facilities at a premium compared to brown energy. We have also financially sponsored suppliers to join the Apparel Impact Institute (AII) Clean By Design program, a program designed to help facilities improve their energy and water efficiency. Lastly, we are investigating installing solar panels on our distribution centers. While all of the decisions come with some degree of additional cost, they will help us manage our climate-related risks by more efficiently using resources and transitioning away from fossil fuels towards renewable energy.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
9953

Base year Scope 2 emissions covered by target (metric tons CO2e)
70418

Base year Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
80371

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
80

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
16074.2

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
9248

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
40231

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
49480

% of target achieved relative to base year [auto-calculated]
48.0443816799592

Target status in reporting year
Underway

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
To calculate these targets, we relied on SBTi's guidance and tools, and reviewed the IPCC's 1.5 degree special report, to determine the appropriate level of ambition. With annual ambition of 3.3% (2030 target) and 2.7% (2040 target), both targets are aligned with 1.5 degree scenario, and adhere to criteria C19 of SBTi's April 2019 guidance (V4). This target covers all of our scope 1&2 emissions, main sources which include natural gas and electricity for our owned and operated facilities as well as refrigerants and mobile consumption from company vehicles.

Plan for achieving target, and progress made to the end of the reporting year
We plan to accomplish our target through energy efficiency measures and by sourcing renewable energy for our owned and operated facilities. Energy efficiency measures in 2021 include using LED lighting in new and existing stores, and upgrading our Energy Management System (EMS) in stores to allow us to make sure lights and heating/cooling systems are turned off when no one is in the store. We have also sourced 26% of our electricity as renewable energy from our energy suppliers in a handful of states for our stores, offices and distribution centers in 2021.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 2

Year target was set
2019

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services

Category 2: Capital goods

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)
893000

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
893000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
40

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
535800

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
1082000

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
1082000

% of target achieved relative to base year [auto-calculated]
-52.9115341545353

Target status in reporting year
Underway

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
To calculate these targets, we relied on SBTi's guidance and tools, and reviewed the IPCC's 1.5 degree special report, to determine the appropriate level of ambition. With annual ambition of 3.3% (2030 target) and 2.7% (2040 target), both targets are aligned with 1.5 degree scenario, and adhere to criteria C19 of SBTi's April 2019 guidance (V4). This company-wide target covered 84% of all our Scope 3 emissions at the time of setting, focusing on the categories most relevant to our business activities, purchased goods and services (raw material sourcing and manufacturing) and capital goods.

Plan for achieving target, and progress made to the end of the reporting year
To date we have not made progress on our Scope 3 target as the business has grown dramatically in the last year, up 26% from the previous year. We plan to address emission reductions through two main drivers, 1) switching to more sustainable raw materials which have lower associated emission factors and 2) reducing emissions in our manufacturing partners through energy efficiency measures, phasing out coal, and a transition to renewable energy for those facilities. Even though overall emissions have increased we have seen a decrease in the average emission factor per raw material due to the increase in recycled polyester and nylon fabrics. Additionally, we have piloted improvement programs with fabric mills as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions. We have seen promising results from these pilots and plan to scale this program to more supply chain partners. Taking these learnings, in 2021 we launched the AEO Carbon Leadership (CLP) Program for our strategic factories that represent approximately 80% of our procurement volume. The CLP program encourages suppliers to develop their own GHG inventory, commit to reduction targets and long-term climate-mitigation plans. This includes energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 3

Year target was set
2019

Target coverage

Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 2: Capital goods

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)
893000

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
893000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2040

Targeted reduction from base year (%)
60

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
357200

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
1082000

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
1082000

% of target achieved relative to base year [auto-calculated]
-35.2743561030235

Target status in reporting year
Underway

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
To calculate these targets, we relied on SBTi's guidance and tools, and reviewed the IPCC's 1.5 degree special report, to determine the appropriate level of ambition. With annual ambition of 3.3% (2030 target) and 2.7% (2040 target), both targets are aligned with 1.5 degree scenario, and adhere to criteria C19 of SBTi's April 2019 guidance (V4). This company-wide target covered 84% of all our Scope 3 emissions at the time of setting, focusing on the categories most relevant to our business activities, purchased goods and services (raw material sourcing and manufacturing) and capital goods.

Plan for achieving target, and progress made to the end of the reporting year
To date we have not made progress on our Scope 3 target as the business has grown dramatically in the last year, up 26% from the previous year. We plan to address emission reductions through two main drivers, 1) switching to more sustainable raw materials which have lower associated emission factors and 2) reducing emissions in our manufacturing partners through energy efficiency measures, phasing out coal, and a transition to renewable energy for those facilities. Even though overall emissions have increased we have seen a decrease in the average emission factor/ aw material due to the increase in recycled polyester and nylon fabrics. Additionally, we have piloted improvement programs with fabric mills as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions. We have seen promising results from these pilots and plan to scale this program to more supply chain partners. Taking these learnings, in 2021 we launched the AEO Carbon Leadership (CLP) Program for our strategic factories that represent approximately 80% of our procurement volume. The CLP program encourages suppliers to develop their own GHG inventory, commit to reduction targets and long-term climate-mitigation plans. This includes energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number
Abs 5

Year target was set
2019

Target coverage
Company-wide

Scope(s)
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
70418

Base year Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
70418

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
40231

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
40231

% of target achieved relative to base year [auto-calculated]
42.8683007185663

Target status in reporting year
Underway

Is this a science-based target?
No, but we are reporting another target that is science-based

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
AEO joined RE100 in 2019, committing to achieving carbon neutrality across all of our owned and operated facilities (offices, stores, distribution centers) and employee business travel by 2030. This includes sourcing 100% renewable electricity.

Plan for achieving target, and progress made to the end of the reporting year
To date we have reached 26% renewable energy by sourcing from our energy suppliers in deregulated markets in the US including, Pennsylvania, Ohio, New York, Texas, Connecticut, Illinois, Massachusetts, Maryland and New Jersey. In 2021 we have also been further defining our plans to meet this target, including investigating on-site solar at feasible distribution centers and entering into a Virtual Power Purchase agreement to cover the bulk on our remaining disparate load in the US & Canada. We will most likely need to purchase some RECs at the end of the goal period to cover small load international countries and any remaining balance in the US & Canada.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number
Abs 4

Year target was set
2019

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2
Scope 3

Scope 2 accounting method
Market-based

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 9: Downstream transportation and distribution
Category 11: Use of sold products
Category 12: End-of-life treatment of sold products
Category 14: Franchises

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
9953

Base year Scope 2 emissions covered by target (metric tons CO2e)
70418

Base year Scope 3 emissions covered by target (metric tons CO2e)
893000

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
973371

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
486685.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
9248

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
40231

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
1082000

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
1131479

% of target achieved relative to base year [auto-calculated]
-32.4866880151556

Target status in reporting year
Underway

Is this a science-based target?
No, but we are reporting another target that is science-based

Target ambition

<Not Applicable>

Please explain target coverage and identify any exclusions

AEO is a signatory the United Nations Framework Convention on Climate Change's (UNFCCC) Fashion Industry Charter for Climate Action, adopting their overarching goal of achieving a 50% reduction across all scopes by 2030 or setting an SBT, which we have done.

Plan for achieving target, and progress made to the end of the reporting year

AEO plans to achieve this target by focusing on our operations and supply chain. Operations: To date we have reached 26% renewable energy by sourcing from our energy suppliers in deregulated markets in the US including, Pennsylvania, Ohio, New York, Texas, Connecticut, Illinois, Massachusetts, Maryland and New Jersey. In 2021 we have also been further defining our plans to meet this target, including investigating on-site solar at feasible distribution centers and entering into a Virtual Power Purchase agreement to cover the bulk on our remaining disparate load in the US & Canada. We will most likely need to purchase some RECs at the end of the goal period to cover small load international countries and any remaining balance in the US & Canada. Supply Chain: To date we have not made progress on our Scope 3 target as the business has grown dramatically in the last year, up 26% from the previous year. We plan to address emission reductions through two main drivers, 1) switching to more sustainable raw materials which have lower associated emission factors and 2) reducing emissions in our manufacturing partners through energy efficiency measures, phasing out coal, and a transition to renewable energy for those facilities. Even though overall emissions have increased we have seen a decrease in the average emission factor/ aw material due to the increase in recycled polyester and nylon fabrics. Additionally, we have piloted improvement programs with fabric mills as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions. We have seen promising results from these pilots and plan to scale this program to more supply chain partners. Taking these learnings, in 2021 we launched the AEO Carbon Leadership (CLP) Program for our strategic factories that represent approximately 80% of our procurement volume. The CLP program encourages suppliers to develop their own GHG inventory, commit to reduction targets and long-term climate-mitigation plans. This includes energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2019

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2018

Consumption or production of selected energy carrier in base year (MWh)
157160924

% share of low-carbon or renewable energy in base year
0

Target year
2030

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
26

% of target achieved relative to base year [auto-calculated]
26

Target status in reporting year
Underway

Is this target part of an emissions target?
AEO joined RE100 in 2019 and incorporated the goal of 100% renewable electricity into our science-based target referenced above (Abs 1).

Is this target part of an overarching initiative?
RE100

Please explain target coverage and identify any exclusions
AEO joined RE100 in 2019, committing to achieving carbon neutrality across all of our owned and operated facilities (offices, stores, distribution centers) and employee business travel by 2030. This includes sourcing 100% renewable electricity.

Plan for achieving target, and progress made to the end of the reporting year
To date we have reached 26% renewable energy by sourcing from our energy suppliers in deregulated markets in the US including, Pennsylvania, Ohio, New York, Texas, Connecticut, Illinois, Massachusetts, Maryland and New Jersey. In 2021 we have also been further defining our plans to meet this target, including investigating on-site solar at feasible distribution centers and entering into a Virtual Power Purchase agreement to cover the bulk on our remaining disparate load in the US & Canada. We will most likely need to purchase some RECs at the end of the goal period to cover small load international countries and any remaining balance in the US & Canada.

List the actions which contributed most to achieving this target
<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	
To be implemented*		
Implementation commenced*	1	
Implemented*	2	
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)
2295

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
3-5 years

Comment
Upgrading our Energy Management System (EMS) in stores to allow us to make sure lights and heating/cooling systems are turned off when no one is in the store.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
1392

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
319379

Investment required (unit currency – as specified in C0.4)
1364095

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment
Lighting retrofit at our distribution center in Ottawa, the installation has been delayed but is in progress and will be completed in 2022.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
2242

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
542618

Investment required (unit currency – as specified in C0.4)
6840000

Payback period
4-10 years

Estimated lifetime of the initiative
16-20 years

Comment
AEO is currently investigating putting solar panels at our distribution center in Hazelton, PA.

Initiative category & Initiative type

Low-carbon energy consumption	Wind

Estimated annual CO2e savings (metric tonnes CO2e)
2296

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
137142

Payback period
No payback

Estimated lifetime of the initiative
1-2 years

Comment
AEO is purchasing green energy in the form of renewable energy credits through utility suppliers in deregulated states where we have electricity load.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
1040

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
210000

Investment required (unit currency – as specified in C0.4)

Payback period
4-10 years

Estimated lifetime of the initiative
16-20 years

Comment
AEO is currently investigating putting solar panels at our distribution center in Ottawa, KS.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	When the board approved the AEO climate goals in 2019 they approved a budget to cover emission reduction activities through 2030 to meet those reduction goals. For example, AEO has contracted with our energy suppliers in deregulated markets in the US to purchase renewable energy for our facilities. We have also sponsored suppliers to join the Apparel Impact Institute (AII) Clean By Design program, a program designed to help suppliers improve energy and water efficiency in factories.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?
No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Name of organization(s) acquired, divested from, or merged with

Acquisition of Quiet Logistics and Airterra, logistics providers.

Details of structural change(s), including completion dates

The acquisition of Quiet Logistics was completed on 12/29/21, at the end of the fiscal year, so we will be incorporating this organization into our footprint in the next fiscal year. Airterra was acquired on 5/3/2021.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No, but we have discovered significant errors in our previous response(s)	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because we do not have the data yet and plan to recalculate next year	Acquisitions: Airterra did not exist in the base year. The acquisition for Quiet logistics is below our threshold for re-baselining and will be added to the footprint in 2022 when data is available. Re-Baselining Policy: As stated in our GHG Inventory Management Plan: Facilities acquired or divested will be added to or removed from the inventory for all relevant inventory years if they are above the threshold for rebaselining (1%). Errors: We have discovered an error in our upstream transportation calculations so we have readjusted the baseline for that category.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

February 1 2018

Base year end

January 31 2019

Base year emissions (metric tons CO2e)

9953

Comment

Scope 2 (location-based)

Base year start

February 1 2018

Base year end

January 31 2019

Base year emissions (metric tons CO2e)

71655

Comment

Scope 2 (market-based)

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
70418

Comment

Scope 3 category 1: Purchased goods and services

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
897000

Comment

Scope 3 category 2: Capital goods

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
14000

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
February 1 2020

Base year end
January 31 2021

Base year emissions (metric tons CO2e)
11000

Comment
Determined to be relevant in the baseline year of 2018 but was calculated for the first time in 2020 once data and resources were available.

Scope 3 category 4: Upstream transportation and distribution

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
169000

Comment

Scope 3 category 5: Waste generated in operations

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
46000

Comment

Scope 3 category 6: Business travel

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
5000

Comment

Scope 3 category 7: Employee commuting

Base year start
February 1 2020

Base year end
January 31 2021

Base year emissions (metric tons CO2e)
14500

Comment
Determined to be relevant in the baseline year of 2018 but was calculated for the first time in 2020 once data and resources were available.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
3500

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
2005000

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
February 1 2020

Base year end
January 31 2021

Base year emissions (metric tons CO2e)
89000

Comment
Determined to be relevant in the baseline year of 2018 but was calculated for the first time in 2020 once data and resources were available.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start
February 1 2018

Base year end
January 31 2019

Base year emissions (metric tons CO2e)
12000

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
9248

Start date
February 1 2021

End date
January 31 2022

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
7790

Start date
February 1 2020

End date
January 31 2021

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
53642

Scope 2, market-based (if applicable)
40231

Start date
February 1 2021

End date
January 31 2022

Comment

Past year 1

Scope 2, location-based
54177

Scope 2, market-based (if applicable)
41795

Start date
February 1 2020

End date
January 31 2021

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1067000

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
8

Please explain
Cradle-to-gate emissions from AEO purchased goods and services are calculated using four methods: 1. For purchased goods and services related to AEO apparel fabrics, the weight (kg) of material purchased by fiber type (e.g., cotton, polyester) is obtained from AEO. Cradle to gate emissions factors per weight are taken from the Higg Material Sustainability Index (MSI) and multiplied by the weight of material purchased. 2. For purchased goods and services related to AEO product assembly, factory data was collected from Higg FEM and allocated to AEO. 3. For purchased goods and services related to AEO footwear products, the number of units produced is obtained from AEO. Cradle to gate emissions factors (materials processing and manufacturing) are taken from MIT's 2013 footwear LCA and multiplied by the number of footwear units produced. 4. For all other purchased goods and services, annual spend associated with these products is obtained from AEO. The spend for these products is multiplied by relevant sector-specific cradle-to-gate emission factors. Emissions factors are sourced from the US Environmentally-Extended Input-Output (EEIO) cradle-to-gate emission factors were used instead of DEFRA, as the US EEIO factors are more recent and US-based. These factors are the baseline emission factors for scope 3, categories 1 and 2. The FY21 inventory uses the most recent update of the USEEIO databased from January 2022. This dataset is based on 2016 data and put into 2018 USD dollars.

Capital goods

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
15000

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Cradle-to-gate emissions from AEO purchased capital goods are calculated by aggregating spend into standard product categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are sourced from the US Environmentally-Extended Input-Output (EEIO) cradle-to-gate emission factors were used instead of DEFRA, as the US EEIO factors are more recent and US-based. These factors are the baseline emission factors for scope 3, categories 1 and 2. The FY21 inventory uses the most recent update of the USEEIO databased from January 2022. This dataset is based on 2016 data and put into 2018 USD dollars.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
11000

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
The activity data used to quantify emissions from upstream fuel-and-energy-related activities (FERA) are the quantity consumed of each energy type, such as electricity or natural gas. Consumption by fuel type is then multiplied by emission factors for each of the three activities included in this category. Emission factors for upstream emissions of purchased fuels are based on life-cycle analysis software. Emission factors for upstream emissions of purchased electricity are based on life-cycle analysis software for the U.S., and on U.K. Defra Guidelines for other countries. Emission factors for transmission and distribution losses are location-based and taken from EPA's eGRID database for the U.S., and on U.K. Defra Guidelines for other countries. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
174500

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
This figure encompasses emissions from inbound transportation of goods purchased by AEO. Shipments of purchased goods and sold products by origin-destination, mode of transport, and mass are used to calculate emissions. Activity data for this category are obtained from AEO's transportation logistics teams and cover two legs of transportation and distribution: 1. Factory to transloader - for this leg of transportation and distribution, number of shipments, weight and volume of shipments are provided by transportation mode. Distance is estimated by calculating the average distance from cities providing the greatest weight of product (>1,000,000 kg) to each of the transloader. These distances are then weighted by weight of product shipped to calculate an estimate for average distance per shipment. It is assumed that this distance is representative for all shipment modes. 2. Transloader to distribution center - for this leg of transportation and distribution, origin-destination, transportation mode, number of shipments, average weight of shipments, and distance of shipments are provided. This data is then used to calculate total ton miles. Emissions are calculated using EPA Emission Factors for Greenhouse Gas Inventories for product transport.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
29000

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0.1

Please explain
This figure represents emissions associated with waste disposed via landfilling, recycling and compost. Data on waste quantity, composition, and disposal method are obtained from several AEO facilities. For the remaining sites, waste is estimated using assumptions for waste generation per ft2 based on average factors by facility type obtained from CalRecycle. Emissions from waste are calculated using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1000

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Business travel includes business air, rail and rental car travel and hotel stays by AEO employees. All travel activity are obtained from AEO's travel department. Only number of rental car days are provided for rental cars and miles per day is estimated based on data from AAA on average daily driving distances in the United States. Emissions are calculated using emission factors and methodologies from the 2012 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting. GWPs are IPCC Second Assessment Report (SAR - 100 year). Note: emissions from lease/charter jets is no longer included in Scope 3 Business Travel emissions. It has been reallocated to Scope 1 emissions based on the assumption that AEO has control over the lease/charter.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
23600

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Category 7 includes emission from two sources: Work from Home and Employee Commuting. Work from Home Emissions figure represents emissions from energy consumed by HVAC, lighting, and workstation plugload used by remote employees. HVAC energy consumption is calculated using composite regional averages of energy used to heat and cool homes. Lighting and workstation plugload energy consumption are calculated using an average device wattage. Total energy consumed by remote workers for the fiscal year is calculated by multiplying the HVAC, lighting, and workstation plugloads by the percent of the year employees worked remotely (based on assumption) and the headcount of remote workers for each office. Final CO2e calculations use the total energy consumed by remote workers and the emission factor of the eGrid subregion of the office each worker is tied to. Commuting emissions represent fuel combustion emissions from office and retail employees commuting to and from AEO facilities by vehicle or public transportation. Distance travelled and mode of transportation are estimated based on US commuter patterns. Emissions per passenger mile from the EPA's Emission Factor Hub are applied to the distance estimates to calculate emissions.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AEO does not have any upstream leased assets.

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
3800

Emissions calculation methodology
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
This figure encompasses emissions from outbound transportation of products sold by AEO. Downstream transportation and distribution encompasses emissions from outbound transportation of products sold by AEO. Activity data for this category are obtained from AEO's transportation logistics teams and cover the following: 1. Direct to consumer/retail - for this leg of transportation and distribution, carrier, number of packages, average distance and average weight are provided. Carrier is used to determine shipping mode (air or ground). Number of packages, average distance and average weight are used to calculated ton miles. Transportation and distribution emissions are calculated using EPA Emission Factors for Greenhouse Gas Inventories for product transport multiplied by ton miles.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
There is no processing of AEO sold products.

Use of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
2171000

Emissions calculation methodology
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
This figure represents indirect emissions associated with washing, drying, and ironing of clothes during the customer use phase. The amount of knit and denim products produced by weight (kg) is obtained from AEO's product and sales team. Use phase emissions factors per weight are taken from the previously conducted Life Cycle Assessment (LCA) and multiplied by the weight of units produced.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
157000

Emissions calculation methodology
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from end of life treatment of sold products were estimated by applying emission factors from the EPA’s Waste Reduction Model (WARM) to the weight of materials by product category.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AEO does not have any downstream leased assets not included in the Scope 1 and 2 inventory.

Franchises

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
11000

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
This figure includes emissions from purchased electricity and natural gas in AEO's franchise stores worldwide. Number of franchise stores by country is obtained from AEO. Square footage is estimated as the average square footage of AEO owned and operated store and outlet retail locations. Electricity and natural gas consumption are estimated by multiplying square footage by average store and outlet specific electric and natural gas intensities used in the Scope 1 and 2 inventory. Emissions are calculated by multiplying electricity consumption and natural gas by grid average emissions factors from the EPA and the International Energy Agency. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AEO does not have any investments where AEO ownership exceeds 1% of that company's value.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AEO does not have any upstream emissions not captured by the categories above.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
AEO does not have any downstream emissions not captured by the categories above.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
January 26 2020

End date
January 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)
881000

Scope 3: Capital goods (metric tons CO2e)
9000

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
11000

Scope 3: Upstream transportation and distribution (metric tons CO2e)
85000

Scope 3: Waste generated in operations (metric tons CO2e)
37000

Scope 3: Business travel (metric tons CO2e)
1000

Scope 3: Employee commuting (metric tons CO2e)
14500

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)
4000

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)
1861000

Scope 3: End of life treatment of sold products (metric tons CO2e)
89000

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)
10000

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.00001

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
49480

Metric denominator
unit total revenue

Metric denominator: Unit total
5010785000

Scope 2 figure used
Market-based

% change from previous year
25

Direction of change
Decreased

Reason for change
Decreased emissions resulting from increased renewable electricity purchasing. Reduced operation due to the COVID-19 pandemic also contributed to the decrease in emissions.

Intensity figure
0.005036

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
49480

Metric denominator
square foot

Metric denominator: Unit total
10025101

Scope 2 figure used
Market-based

% change from previous year
37

Direction of change
Decreased

Reason for change
Decreased emissions resulting from increased renewable electricity purchasing. Reduced operation due to the COVID-19 pandemic also contributed to the decrease in emissions.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	8755
Canada	418
Mexico	24
Hong Kong SAR, China	44
Puerto Rico	5
China	2

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

By activity

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Stores	2070		
Warehouse	2472		
Outlets	800		
Office	3893		
Data Center	16		

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary Combustion	5129
Mobile Combustion	3029
Refrigerants	1090

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	50840	37430
Canada	1261	1261
Mexico	352	352
Hong Kong SAR, China	727	727
Puerto Rico	450	450
China	12	12

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

By activity

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Store	28387	24214
Warehouse	12197	8267
Outlet	8228	7269
Office	3346	481
Data Center	1485	0

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Electricity	53606	40196
Chilled Water	35	35

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	2296	Decreased	3	The percent of AEO's portfolio covered by renewable electricity (i.e., purchased renewable electricity) increased from 2020 to 2021 resulting in a decrease in emissions for those sites affected.
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	40323	40323
Consumption of purchased or acquired electricity	<Not Applicable>	38945	111222	150167
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>		92	92
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	38945	151637	190582

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
282

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
27899

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
12261

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
This includes petrol, diesel, and jet kerosene.

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
40443

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Sum of all fuels reported above, including oil, gas, and other non-renewable fuels.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
United States of America

Consumption of electricity (MWh)
137248

Consumption of heat, steam, and cooling (MWh)
92

Total non-fuel energy consumption (MWh) [Auto-calculated]
137340

Is this consumption excluded from your RE100 commitment?
No

Country/area
Canada

Consumption of electricity (MWh)
11156

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
11156

Is this consumption excluded from your RE100 commitment?
No

Country/area
Puerto Rico

Consumption of electricity (MWh)
722

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
722

Is this consumption excluded from your RE100 commitment?
No

Country/area
China

Consumption of electricity (MWh)
15

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
15

Is this consumption excluded from your RE100 commitment?
No

Country/area
Hong Kong SAR, China

Consumption of electricity (MWh)
939

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
939

Is this consumption excluded from your RE100 commitment?
No

Country/area
Mexico

Consumption of electricity (MWh)
780

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
780

Is this consumption excluded from your RE100 commitment?
No

C8.2h

(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country

Country/area of renewable electricity consumption
United States of America

Sourcing method
Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
38945

Tracking instrument used
US-REC

Total attribute instruments retained for consumption by your organization (MWh)
38945

Country/area of origin (generation) of the renewable electricity/attribute consumed
United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)
Please select

Brand, label, or certification of the renewable electricity purchase
Green-e

Comment
AEO contracts with suppliers to retire Green-e certified RECs on behalf of AEO.

C8.2i

(C8.2i) Provide details of your organization's low-carbon heat, steam, and cooling purchases in the reporting year by country.

Country/area of consumption of low-carbon heat, steam or cooling
United States of America

Sourcing method
None (no purchases of low-carbon heat, steam, or cooling)

Energy carrier
Please select

Low-carbon technology type
Please select

Low-carbon heat, steam, or cooling consumed (MWh)

Comment

C8.2j

(C8.2j) Provide details of your organization's renewable electricity generation by country in the reporting year.

C8.2k

(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.

AEO has not contributed to adding new renewable energy to the grid in 2021 but are evaluating plans to do so as part of meeting our RE100 goal in the future.

C8.2l

(C8.2l) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity	Challenges faced by your organization which were not country-specific
Row 1	No	<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
AEO 2021 GHG Inventory Statement.pdf

Page/ section reference
Entire document

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
AEO 2021 GHG Inventory Statement.pdf

Page/ section reference
Entire document

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
AEO 2021 GHG Inventory Statement.pdf

Page/ section reference
Entire document

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate change and carbon information at least annually from suppliers

% of suppliers by number
38

% total procurement spend (direct and indirect)
58

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
As a member of the Sustainable Apparel Coalition (SAC), we continue to use the SAC's Higg Facility Environmental Model (FEM) to collect environmental data from our suppliers to drive environmental improvement in our supply chain. In 2021 we had over 300 Tier 1 and Tier 2 suppliers complete the Higg (FEM), which covers 93% of our procurement from Tier 1 and at least 60% from our Tier 2 fabric mills.

Impact of engagement, including measures of success
The environmental data we are capturing from suppliers via the SAC's Higg Facility Environmental Model (FEM) includes energy and water consumption, production processes involved, total production volume, etc. This data is used for us to calculate the environmental footprint for product manufacturing (e.g. water consumption for denim laundries and fabric mills and Scope 3 GHG emissions). We also use the other FEM data to conduct annual evaluation of some strategic Tier 1 and Tier 2 suppliers to drive improvement on their carbon management system and water/carbon footprint via the AEO Water and Carbon Leadership Program. Furthermore, we have used this information to develop our roadmap to achieving our scope 3 reductions goals. Measures of success about the impact of engagement include: 1) Higg FEM self-assessment adoption rate by our Tier 1 and Tier 2 suppliers; 2) Third party verification rate of Higg FEM; 3) Percentage of data exclusion for GHG calculation; 4) Improvements on environmental performance reflected by the FEM results; and 5) Percentage of suppliers we are following up closely via AEO Water and Carbon Leadership Program using FEM as part of the requirements

Comment
We assume the number of Tier 2 suppliers are the same as Tier 1 suppliers as we are still working on Tier 2 mapping and assume Tier 2 fabric mills covering 60% of procurement volume have submitted FEM data to AEO. In the future we will continue to expand data collection from our supply chain, including further mapping our Tier 2 suppliers and requesting trims suppliers to submit FEM data.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change

% of suppliers by number
20

% total procurement spend (direct and indirect)
40

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
We launched the AEO Water and Carbon Leadership Program to our strategic Tier 1 and 2 suppliers to drive improvement on their carbon management system. Every year, we set KPIs around carbon management system and best practices for suppliers and conduct evaluation with each supplier. Examples of KPIs: energy data tracking, energy / carbon baseline and reduction target setting, energy efficient lighting system, heat recovery from steam system, conducting feasibility studies and developing implementation plans for carbon phase out and application of renewable energy, etc.

Impact of engagement, including measures of success
Every year, we set KPIs around carbon management system and best practices for suppliers and conduct evaluation with each supplier. Examples of KPIs: energy data tracking, energy / carbon baseline and reduction target setting, energy efficient lighting system, heat recovery from steam system, conducting feasibility studies and developing implementation plans for carbon phase out and application of renewable energy and etc. Additionally, we worked with GIZ and other brands to develop the Climate Action Training , a set of online training materials for manufacturers to understand the climate change issues for the textile and apparel industry. In 2021, we have nominated 14 factories (more than 50 participants) to join the pilot training with online tutoring lessons.

Comment

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Offer financial incentives for suppliers who reduce your operational emissions (Scopes 1 &2)

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
We are currently collaborating with the Apparel Impact Institute (AII) to pilot improvement programs at fabric mills as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions.

Impact of engagement, including measures of success
1) Aii – Carbon Tech Assessment (CTA) / Carbon Leadership Program (CLP) We have nominated 15 facilities to join the Aii CTA and five of them to join Aii CLP program in 2021. During the process of Aii CLP, onsite or online assessment were conducted by a third party. Those assessments found 71 improvement actions and as a result an average GHG reduction target of 22% by 2025 and 26% by 2030 have been set. We plan to expand this program to cover more suppliers in the future. 2) Aii – Clean by Design Program From 2020 to 2021, we nominated 7 suppliers to join the Aii Clean by Design program. At the end of the program, they have completed 63 improvement actions, which have helped the facilities to save 215,000 cubic meters of water and 1,782,370 kWh per year.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number
100

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement
When shopping on AE.com all customers can enter our REAL GOOD™: Planet in Mind shop, finding all of our Real Good product. From this page customers can also easily learn more about our Real Good program, which encompasses products made from a majority of sustainable materials or produced in factories that meet expectations for our Water Leadership Program. We aim for all customers to be aware of and engage with the Real Good program so they can understand how these products are helping AEO reach its climate, raw materials, and water goals.

Impact of engagement, including measures of success
We engage customers via survey and they have a high favorability towards and recognition of the Real Good program. From a national sample study of both shoppers and non-shoppers, 57% of AE shoppers were familiar with Real Good. That percentage jumps up to 64% when looking at recent shoppers. Additionally, 50% of those surveyed and 73% of recent shoppers were aware of sustainable practices at Aerie. An additional survey showed that 73% of AE customers who have made a purchase in the past 12 months report seeing the Real Good logo while shopping AE and 72% of respondents reported a positive perception of us after viewing the Real Good campaign. These metrics show the impact of our Real Good messaging, and that our education campaign is reaching our customers.

Type of engagement & Details of engagement

Other, please specify	Other, please specify (Consumer Insight Surveys)

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement
AEO's Consumer Insight & Strategy team engages our consumers on a regular basis around a number of topics, including their views and opinions on sustainability-related topics, including climate change and AEO's sustainability programs. They engage the AEOinSIGHT panels, which is a group of active AEO shoppers that covers our key customer-base and includes ~1,900 respondents.

Impact of engagement, including measures of success
The point of these engagements are to understand general sustainability habits among current AEO customers and perceptions around our programs.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We engage our employees on climate-related topics in a variety of ways:
- We have a number of internal working groups aligned with our corporate environmental goals that employees throughout the business participate in based on their job duties or personal interest. These working groups help drive action towards our goals, including our climate goals. In particular, the AEO Green Team hosts guest speakers to teach employees about varying sustainability and climate topics.
- The VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals, hosts semi-regular updates for the company at large to update employees on our sustainability and climate programs and progress towards goals.
- We survey employees as part of our materiality process, collecting and incorporating their feedback on topics material to AEO to ensure that we are continuing to focus on the key environmental, social, and governance topics relevant to our employees.
- We provide training materials to our store associates on the sustainability impacts of our Real Good products.
- Even though our scope 3 goal does not include transportation we engage with our logistics teams to educate them on our climate goals and how we can work together to reduce transportation emissions.

Additionally, we engage with our membership partners to help support, engage with and amplify their workstream dedicated to climate. Some of the membership organizations we engage with that help further our climate programs are the Better Cotton Initiative (BCI), Textile Exchange (TE), the Sustainable Apparel Coalition (SAC), the Apparel Impact Institute (Aii) and the Ellen McArthur Foundation (EMF). BCI, TE and the SAC all have organizational goals focused around reducing climate emissions in their respective scopes of work. We engage closely with and leverage the tools available from these partners to help manage, measure and report on our annual greenhouse gas emissions. We also engage closely with BCI on a number of topics, including encouraging them to better understand the emissions of their cotton via traceability efforts.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Climate-related disclosure through a non-public platform

Description of this climate related requirement

Denim and Woven Bottom fabric mills and laundries that participate in the Real Good program have to meet level 1 of the AEO Carbon Leadership Program in 2021. As this is the first year of the program this requires reporting on their energy usage via the Sustainable Apparel Coalition (SAC) Higg Facility Environmental Model (FEM). We launched the AEO Carbon Leadership Program to our strategic Tier 1 and 2 suppliers to drive improvement on their carbon management system. Every year, we set KPIs around carbon management system and best practices for suppliers and conduct evaluation with each supplier. Examples of KPIs: energy data tracking, energy / carbon baseline and reduction target setting, energy efficient lighting system, heat recovery from steam system, conducting feasibility studies and developing implementation plans for carbon phase out and application of renewable energy, etc.

% suppliers by procurement spend that have to comply with this climate-related requirement

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
On-site third-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

AEO's Climate Policy referencing the Paris Agreement is attached. We are also signatories of the United Nations Framework Convention on Climate Change's (UNFCCC) Fashion Industry Charter for Climate Action, which aligns with the goals of the Paris Agreement.

AEO Climate Policy 2021.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

AEO does not currently have a process in palce.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (American Apparel and Footwear Association)

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
American Apparel and Footwear Association (AAFA) is the national trade association representing apparel, footwear and other sewn products companies, and their suppliers, which compete in the global market. Members include manufacturers and retailers to textile suppliers, testing labs, and more. AEO sits on both the environmental and responsible sourcing committees at AAFA.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Other, please specify (Retail Industry Leaders Association)

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
The Retail Industry Leaders Association (RILA) is the US trade association for retailers that have earned leadership status by virtue of their sales volume, innovation or aspiration. We convene decision-makers to collaborate and gain from each other's experience. We advance the industry through public-policy advocacy and promote operational excellence and innovation. And through research and thought leadership, we propel developments that foster both economic growth and sustainability. The key environmental impact areas across RILA's membership align around waste and energy, and the key responsible sourcing social impact areas focus on ethical working conditions in owned and contracted supplier facilities. These areas translate into action through our five committees: Sustainability (environmental), Responsible Sourcing, Environmental Compliance, Energy Management, and Zero Waste. For environmental sustainability, our priorities are increasing efficiency and waste diversion and exploring circular economy innovations for waste – and increasing efficiency and reducing greenhouse gas (GHG) emissions for energy. AEO sits on both the environmental sustainability and responsible sourcing committees at RILA.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Other, please specify (United States Fashion Industry Association)

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
United States Fashion Industry Association (USFIA) is committed to sharing its member's commitments to sourcing and manufacturing at the highest standards. They are industry leaders in terms of developing and maintaining business operations that are not only compliant with global standards, but also ethical—from the cotton field, to the textile mill, to the apparel factory, to the retail store. USFIA shares this story with the Administration, Congress, media, and consumers, educating stakeholders about how fashion brands and retailers are creating change on key issues including factory safety and compliance, environmental sustainability and stewardship, global worker wellbeing and human rights, elimination of forced and child labor, conflict minerals compliance, and chemical management. Through the USFIA Social Compliance & Sustainability Committee, we provide education and training to companies on how to source in a cost-effective, efficient, and ethical way. AEO's Director & Associate General Counsel sits on the USFIA board.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization
Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding
Fashion Industry Charter for Climate Action (UNFCCC)

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)
5000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
This is our membership fee. The organization is founded around reducing greenhouse gas emissions in line with the Paris Agreement and has a policy engagement working group that aims to help push legislation in that direction.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary communications

Status
Complete

Attach the document

Page/Section reference
https://www.aeo-inc.com/sustainability/ - Save Energy section

Content elements
Governance
Strategy
Emissions figures
Emission targets
Other metrics

Comment
No document attached. See link in "Page/Section Reference".

Publication
In voluntary communications

Status
Complete

Attach the document
AEO Climate Policy 2021.pdf

Page/Section reference
Entire document

Content elements
Governance
Strategy
Emission targets

Comment
AEO Climate Policy

Publication
In voluntary communications

Status
Underway – previous year attached

Attach the document

Page/Section reference
https://www.aeo-inc.com/wp-content/uploads/sites/4/2022/07/GHG_2022_Verification-Included.pdf

Content elements
Emissions figures
Other metrics

Comment
No document attached. See link in "Page/Section Reference".

Publication
In voluntary sustainability report

Status
Underway – this is our first year

Attach the document

Page/Section reference

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
Our first annual ESG report is forthcoming for fiscal year 2021.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, but we plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments	<Not Applicable>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	EVP - Chief Operations Officer	Chief Operating Officer (COO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms