

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 1,000 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 25 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 2020	January 31 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Canada
- China
- China, Hong Kong Special Administrative Region
- 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

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 four 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 Sr. Director of Responsible Sourcing, 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 Sr Director of Responsible Sourcing and 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	<ul style="list-style-type: none"> 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 four 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 Sr. Director of Responsible Sourcing, who oversees all sustainability goals.

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 four 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 Sr. Director of Responsible Sourcing, 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 Global Brand Presidents for both the AE and Aerie brands 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 Sr Director of Responsible Sourcing and 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	

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 financial or strategic impact on our 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.

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

Please select

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 are 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 Sr Dr Responsible Sourcing, 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 37% more sustainable cotton as Better Cotton and 11% recycled polyester. 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
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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 during 2020 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 two years we have worked to transition more of our inbound transportation to ocean freight, reducing emissions 49% since 2018 as well as costs. 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 21%, and increased the amount of water recycling by 26%. With these efforts, our factories have saved over one billion gallons of fresh water a year.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	Yes, we intend to include it as a scheduled AGM resolution item	

C3.2

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

No, and we do not anticipate doing so in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

AEO set its new climate, water and raw materials goals in the second half of 2019 and is still in the process of building out its strategy and plan to achieve those goals. In 2020 AEO completed a materiality assessment to identify and prioritize our key material impacts but was not able to implement other large new strategy initiatives due to limited resources during the Covid pandemic so we have not yet built out our internal process to further asses and incorporate climate-related risks into our business strategy. Conducting a climate-related scenario analysis is not something we have the resources to undertake currently. Our focus is to partner with the internal audit team who conducts an annual risk management assessment for the company and further build out climate-related risk analysis into that process.

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 Higg FEM. We are currently piloting mill improvement programs, such as Clean By Design as a way to help our manufacturing partners improve the efficiency of the 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	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 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.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

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. 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. We also 1) committed to and set a Science-Based Target, 2) joined the United Nations Framework Convention on Climate Change's (UNFCCC) Fashion Industry Charter for Climate Action, and 3) joined RE100, 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.

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) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

80371

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

80

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

16074.2

Covered emissions in reporting year (metric tons CO₂e)

49585

% of target achieved [auto-calculated]

47.8810765076956

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 (including target coverage)

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).

Target reference number

Abs 2

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Other, please specify (Scope 3: Purchased goods & services and Capital goods)

Base year

2018

Covered emissions in base year (metric tons CO2e)

911000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

40

Covered emissions in target year (metric tons CO2e) [auto-calculated]

546600

Covered emissions in reporting year (metric tons CO2e)

940000

% of target achieved [auto-calculated]

-7.9582875960483

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 (including target coverage)

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).

Target reference number

Abs 3

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Other, please specify (Scope 3: Purchased goods & services and Capital goods)

Base year

2018

Covered emissions in base year (metric tons CO2e)

911000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2040

Targeted reduction from base year (%)

60

Covered emissions in target year (metric tons CO2e) [auto-calculated]

364400

Covered emissions in reporting year (metric tons CO2e)

940000

% of target achieved [auto-calculated]

-5.3055250640322

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 (including target coverage)

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).

Target reference number

Abs 4

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based) +3 (upstream & downstream)

Base year

2018

Covered emissions in base year (metric tons CO2e)

3174871

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

30

Covered emissions in target year (metric tons CO2e) [auto-calculated]

2222409.7

Covered emissions in reporting year (metric tons CO2e)

3070285

% of target achieved [auto-calculated]

10.9806036213755

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 (including target coverage)

AEO joined the United Nations Framework Convention on Climate Change's (UNFCCC) Fashion Industry Charter for Climate Action in 2019, adopting their overarching goal of achieving 30% reduction across all scopes by 2030.

Target reference number

Abs 5

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Business travel

Base year

2018

Covered emissions in base year (metric tons CO2e)

5000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

100

Covered emissions in target year (metric tons CO2e) [auto-calculated]

0

Covered emissions in reporting year (metric tons CO2e)

1000

% of target achieved [auto-calculated]

80

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 (including target coverage)

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.

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: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

kWh

Target denominator (intensity targets only)

<Not Applicable>

Base year

2018

Figure or percentage in base year

0

Target year

2030

Figure or percentage in target year

100

Figure or percentage in reporting year

23

% of target achieved [auto-calculated]

23

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 (including target coverage)

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. In 2020 we achieved 23% renewable electricity coverage.

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	12603
To be implemented*		
Implementation commenced*		
Implemented*	1	12382
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

Low-carbon energy generation	Solar PV
------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

2242

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

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

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

We are currently investigating installing solar panels at our distribution center in Hazelton, PA.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

12382

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

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

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

108 AEO facilities including offices, stores, and distribution centers in deregulated markets in the US purchased green electricity via their utility contracts.

Initiative category & Initiative type

Low-carbon energy consumption	Hydropower
-------------------------------	------------

Estimated annual CO2e savings (metric tonnes CO2e)

10361

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

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

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

Payback period

Please select

Estimated lifetime of the initiative

16-20 years

Comment

AEO is investigating local hydropower for our facilities in Pennsylvania including, retail stores, our corporate headquarters, and one of our distribution centers.

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 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 or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Recycled Polyester

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (LCA data)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

AEO uses recycled polyester across many of our products, accounting for 11% of our total polyester usage in 2020.

Level of aggregation

Group of products

Description of product/Group of products

Recycled Nylon

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (LCA data)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

AEO uses recycled nylon mostly in Aerie Swim product, accounting for around 10% of the nylon used in aerie swimwear.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

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)

70234

Comment

C5.2

(C5.2) 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)

7790

Start date

<Not Applicable>

End date

<Not Applicable>

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

54177

Scope 2, market-based (if applicable)

41795

Start date

<Not Applicable>

End date

<Not Applicable>

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

Metric tonnes CO2e

931000

Emissions calculation methodology

"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 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, total spend data is aggregated into standard product categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. For 'unclassified' spend, a weighted average emission factor from all categorized AEO corporate spend is applied. Emissions factors are from the 2020 U.S. EPA Office of Research and Development, Supply Chain GHG Emission Factors for US Industries and Commodities."

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

16

Please explain

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

9000

Emissions calculation methodology

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 from 2012 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting, Annex 13 and are converted from 2011 British Pound to current year US Dollar using government sources for UK inflation rates and annual average exchange rates from British Pound to US Dollar.

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

0

Please explain

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

Evaluation status

Relevant, calculated

Metric tonnes CO2e

11000

Emissions calculation methodology

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).

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

0

Please explain

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

57400

Emissions calculation methodology

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.

Emissions are calculated using EPA Emission Factors for Greenhouse Gas Inventories for product transport.

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

100

Please explain

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

37000

Emissions calculation methodology

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.

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

0.2

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1000

Emissions calculation methodology

"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."

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

100

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

10300

Emissions calculation methodology

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.

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

0

Please explain

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes 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

Metric tonnes CO2e

4000

Emissions calculation methodology

This figure 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 two legs of transportation and distribution:

1. Direct to consumer - for this leg of transportation and distribution, origin-destination, number of shipments, weight and volume of shipments are provided by transportation mode. Given the significant volume of data, distance is estimated by calculating the distance from distribution centers to cities receiving the greatest weight of product (>100,000 kg). This data represents over half of the direct to consumer data as of FY18 and is scaled by weight shipped to account for all product transported.
2. Direct to retail - for this leg of transportation and distribution, weight of shipments and destination are provided. Distance could not be estimated because origin for shipments is unknown. Calculations from direct to consumer are scaled to reflect the additional weight shipped direct to retail.

Shipments of sold products by origin-destination, mode of transport, and mass are used to calculate emissions. Emissions are calculated using EPA Emission Factors for Greenhouse Gas Inventories for product transport.

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

100

Please explain

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes 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

Metric tonnes CO2e

1861000

Emissions calculation methodology

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. Included emissions from washing, drying, and ironing of denim and knits sold. Emissions from other accessory products sold are not included.

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

0

Please explain

End of life treatment of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

89000

Emissions calculation methodology

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.

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

0

Please explain

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes 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

Metric tonnes CO2e

10000

Emissions calculation methodology

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).

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

0

Please explain

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes 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

Metric tonnes 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

Other (downstream)

Evaluation status

Metric tonnes 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

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

0.000013

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

49585

Metric denominator

unit total revenue

Metric denominator: Unit total

3759113000

Scope 2 figure used

Market-based

% change from previous year

85

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)

49585

Metric denominator

square foot

Metric denominator: Unit total

9846876

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	7285
Canada	428
Mexico	38
China, Hong Kong Special Administrative Region	32
Puerto Rico	6
China	1

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	1841		
Warehouse	2840		
Outlets	623		
Office	2474		
Data Center	12		

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	4945
Mobil Combustion	1759
Refrigerants	1086

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)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	51591	39209	129891	32549
Canada	1175	1175	10727	0
Mexico	396	396	879	0
China, Hong Kong Special Administrative Region	590	590	763	0
Puerto Rico	413	413	663	0
China	11	11	14	0

C7.6

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

- By facility

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	27856	25029
Warehouse	13166	9060
Outlet	7882	7229
Office	3583	477
Data Center	1689	0

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	7522	Decreased	10	The percent of AEO's portfolio covered by renewable electricity increased from 2019 to 2020 resulting in a decrease in emissions [7522 / 72883 = 10%].
Other emissions reduction activities	0	No change	0	No other emission reduction activities were implemented during the reporting year [0 / 72883 = 0%]
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	15776	Decreased	22	Activity at AEO facilities decreased due to the COVID-19 pandemic [15772 / 72883 = 22%].

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	34319	34319
Consumption of purchased or acquired electricity	<Not Applicable>	32549	110306	142855
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>	0	82	82
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	32549	144707	177256

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.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

26890

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>

Emission factor

53.11

Unit

kg CO2e per million Btu

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories, April 2021

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

276

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>

Emission factor

74.21

Unit

kg CO2e per million Btu

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories, April 2021

Comment

Fuels (excluding feedstocks)

Petrol

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2659

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>

Emission factor

8.81

Unit

kg CO2e per gallon

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories, April 2021

Comment

Emission factors for CH4 and N2O are per mile. The per gallon emission factor for CH4 and N2O is calculated based on the average vehicle fuel efficiency of AEO diesel vehicles and added to the per gallon CO2 factor to provide an average CO2e per gallon factor.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

442

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>

Emission factor

10.22

Unit

kg CO2e per gallon

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories, April 2021

Comment

Emission factors for CH4 and N2O are per mile. The per gallon emission factor for CH4 and N2O is calculated based on the average vehicle fuel efficiency of AEO diesel vehicles and added to the per gallon CO2 factor to provide an average CO2e per gallon factor.

Fuels (excluding feedstocks)

Jet Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

4052

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>

Emission factor

9.84

Unit

kg CO2e per gallon

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories, April 2021

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United States of America

MWh consumed accounted for at a zero emission factor

32549

Comment

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

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	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

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, but we are actively considering verifying within the next two years

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

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

10

% total procurement spend (direct and indirect)

30

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

Rationale for the coverage of your engagement

In 2020 AEO used SAC's Higg Facility Environmental Model (FEM) to collect environmental data from our suppliers. We rolled out the FEM module to 300 suppliers, including our top tier 1 vendors and key tier 2 suppliers (denim laundries and mills, other key mills, washing/dyeing facilities, and yarn spinners).

Impact of engagement, including measures of success

We rolled out the FEM module to 300 suppliers.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Offer financial incentives for suppliers who reduce your upstream emissions (Scopes 3)

% of suppliers by number

1

% total procurement spend (direct and indirect)

3

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

Rationale for the coverage of your engagement

After receiving and assessing the Higg FEM supplier data we completed an assessment to identify emission reductions opportunities within our supply chain and developed a low carbon roadmap.

Suppliers identified through our carbon hot-spots analysis who haven't joined any energy efficiency program before are nominated to join these programs. The Clean by Design Program and Carbon Leadership Program are organized by the Apparel Impact Institute to improve energy and water efficiency for factories.

Impact of engagement, including measures of success

We have given financial support to 10 suppliers to join the Clean By Design and Carbon Leadership program.

Comment

After assessing Higg FEM data for our suppliers and developing a low-carbon roadmap, carbon self-assessment and interviews are being conducted with the highest emission mills in our supply chain. We will offer 3rd party technical support to these factories so they can set their own carbon reduction goals and develop an implementation for the next five years. Based on the factory's needs, onsite factory tour / technical training will be arranged in the near future.

In 2020, we hired a consulting company to organize online GHG introductory trainings and best practices sharing sessions to more than 100 suppliers.

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

4

% total procurement spend (direct and indirect)

15

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

10

Rationale for the coverage of your engagement

After assessing Higg FEM data for our suppliers and developing a low-carbon roadmap, carbon self-assessment and interviews are being conducted with the highest emission mills in our supply chain. We will offer 3rd party technical support to these factories so they can set their own carbon reduction goals and develop an implementation for the next five years. Based on the factory's needs, onsite factory tour / technical training will be arranged in the near future.

Impact of engagement, including measures of success

In 2020, we hired a consulting company to organize online GHG introductory trainings and best practices sharing sessions to more than 100 suppliers.

Comment

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

American Apparel and Footwear Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

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.

How have you influenced, or are you attempting to influence their position?

AEO sits on both the environmental and responsible sourcing committees at AAFA.

Trade association

Retail Industry Leaders Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

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.

How have you influenced, or are you attempting to influence their position?

AEO sits on both the environmental sustainability and responsible sourcing committees at RILA.

Trade association

Better Cotton Initiative

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Better Cotton Initiative (BCI) is a global non-profit organization, the largest cotton sustainability program in the world. Together with our partners we provide training on more sustainable farming practices to more than 2.3 million cotton farmers in 23 countries. In the 2018-19 cotton season, licensed BCI Farmers produced more than 5.6 million metric tonnes of 'Better Cotton' – that accounts for around 22% of global cotton production!

BCI members include farmer organizations through to retailers and brands. Together, we are collectively addressing the negative impacts of mainstream cotton production by supporting the production and sourcing of Better Cotton – cotton grown in line with the Better Cotton Principles and Criteria.

BCI recognizes SDG 13, the need to take urgent action on climate change, and has joined the United Nations Framework Convention on Climate Change's (UNFCCC), Fashion Industry Charter for Climate Action which is also focused on reducing the impact of climate change in the fashion industry.

How have you influenced, or are you attempting to influence their position?

AEO uses significant amounts of BCI cotton throughout all of our brands, accounting for approximately 37% of our cotton. AEO continues to engage with BCI to reduce the environmental impact of cotton farming.

Trade association

Ellen MacArthur Foundation

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Ellen MacArthur Foundation (EMF) is an organization dedicated to accelerating the adoption of a circular economy. They recognize that renewable energy is not enough. There needs to be a fundamental shift in the global approach to tackling climate change and the circular economy can play an essential role.

How have you influenced, or are you attempting to influence their position?

AEO participated in The Jeans Redesign initiative, releasing an AE collection following the guidelines laid out by EMF.

Trade association

Apparel Impact Institute

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Apparel Impact Institute (AII) is an organization that is focused on creating an industry clean by design, and scaling that change across the industry. We are curating partnerships with industry and other professional services to scale proven impact initiatives, accelerating apparel supply chain solutions that address the most urgent sustainability needs. AII recognizes the impact apparel production has on the environment and recognizes the United Nations' goal to achieve carbon neutrality by 2050.

How have you influenced, or are you attempting to influence their position?

In 2019, AEO rolled out Clean By Design (CbD), a mill improvement program housed by AII, to seven key strategic partners, providing financial supports for those facilities to join the program. In 2020, AEO continued this engagement by providing additional financial support to another ten suppliers to participate in CbD. CbD helps mills save on their water and energy usage, averaging about 10% energy savings per mill, leading to associated emissions reductions.

Trade association

Sustainable Apparel Coalition

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Sustainable Apparel Coalition (SAC) is the apparel, footwear, and textile industry's leading alliance for sustainable production. One of the main efforts of the SAC is the development of the Higg Index, a standardized value chain measurement suite of tools for all industry participants.

The tools measure environmental and social & labor impacts across the value chain, include climate performance. With this data, the industry can address inefficiencies, resolve damaging practices, and achieve the environmental and social transparency consumers are demanding. By joining forces in a Coalition, we are addressing the urgent, systemic challenges that are impossible to change alone.

How have you influenced, or are you attempting to influence their position?

AEO uses the Higg FEM module through its supply chain, having successfully rolled the module out to 300 key suppliers throughout tier one and two and uses this information to help track emissions, water use, etc. and identify hot-spots within our value chain.

Trade association

United States Fashion Industry Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

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.

How have you influenced, or are you attempting to influence their position?

AEO's Director & Associate General Counsel sits on the USFIA board.

Trade association

Textile Exchange

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Textile Exchange (TE) is a global non-profit that works to drive industry transformation in preferred fibers, integrity and standards and responsible supply networks. With their new Climate+ strategy, TE is the driving force for urgent climate action on textile fiber and materials with a goal of 45% reduced CO2 emissions from textile fiber and material production by 2030. By benchmarking the industry and providing actionable tools for improvement, TE is driving a race to the top.

How have you influenced, or are you attempting to influence their position?

AEO relies on the standards and resources provided by TE to inform our sustainable fiber strategy and engages with them as a partner on new strategies. We engaged with TE on their new Climate+ strategy to provide feedback and will continue to engage with them on preferred fibers and climate. We will continue to leverage their standards to track and trace our sustainable materials usage.

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

In 2019 AEO signed onto the United Nations Framework Convention on Climate Change's (UNFCCC), Fashion Industry Charter for Climate Action, which contains the vision to achieve net-zero emissions by 2050. The charter goes beyond previous industry-wide commitments by including a target of 30% GHG emission reductions by 2030 and a commitment to analyze and set a decarbonization pathway for the fashion industry drawing on methodologies from the Science-Based Targets Initiative.

Under UN Climate Change, the Signatories and Supporting Organizations of the Charter will work collaboratively to deliver on the principles enshrined in the document. This will be done through Working Groups, which will bring together relevant stakeholders, experts and initiatives in the fashion and broader textile sector. The Fashion Industry Charter for Climate Action, with its Working Groups, will identify and amplify best practices, strengthen existing efforts, identify and address gaps, facilitate and strengthen collaboration among relevant stakeholders, and join resources and share tools to enable the sector to achieve its climate targets.

Since the founding of this charter, policy engagement has been identified as one of the key levers to drive climate action and the charter engages its members to drive policy changes in key sourcing countries. This work is done through many of the working groups, particularly focused on renewable energy adoption. AEO sits on the Brand/Retailer Owned or Operated Emissions committee and the task force on aligning Charter 2030 goal with 1.5 degree committee.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

AEO's climate policy guides our strategy and prioritization around climate change. Internally, our Executive Sustainability Committee meets quarterly and is responsible for overall governance and accountability towards the company's sustainability goals, including our climate goals and ensuring that our work is in line with our climate strategy.

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

Comment

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

Publication

In voluntary communications

Status

Complete

Attach the document

AEO Climate Policy.pdf

Page/Section reference

Entire attachment

Content elements

Governance
Strategy
Risks & opportunities
Emission targets

Comment

AEO's climate policy is attached

Publication

In voluntary communications

Status

Complete

Attach the document

Page/Section reference

<https://www.aeo-inc.com/sustainability/>
Save Energy section
'View the GHG Inventory Results'

Content elements

Emissions figures

Comment

2020 GHG emissions figures

C15. 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.

C15.1

(C15.1) 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	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

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 am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Customers	Public	<Not Applicable>

Please confirm below

I have read and accept the applicable Terms