



American Eagle Outfitters Inc.

CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

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Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☒ English

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

Select from:

☒ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☒ Publicly traded organization

(1.3.3) Description of organization

American Eagle Outfitters (NYSE: AEO) is a leading global specialty retailer offering high-quality, on-trend clothing, accessories and personal care products at affordable prices under its American Eagle® and Aerie® brands. We are an inclusive, optimistic and empowering company that celebrates the individuality of our customers and associates. Our purpose is to show the world that there's REAL power in the optimism of youth. The company operates more than 1,100 stores in the United States, Canada, Mexico, and Hong Kong, and ships to 81 countries worldwide through its websites. American Eagle and Aerie merchandise also is available at more than 200 international locations operated by licensees in 24 countries. Doing the right thing, continually innovating and caring about the global community is foundational to AEO's culture. In 2019, we unveiled a comprehensive plan to be carbon neutral by 2030 with a commitment to water reduction, energy reduction and the use of more sustainable raw materials. This work is highlighted in our Real Good products, which is how customers can identify the most sustainable items in our American Eagle and Aerie collections. Real Good is our promise to doing better and working harder. We pledge to accelerate sustainability improvements across our company, guided by a corporate purpose that is rooted in the optimism of youth and a promise to help build a better world for all of our stakeholders.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	02/01/2025	Select from: ☒ Yes	Select from: ☒ No

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

5329000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☒ Yes

[Fixed row]

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

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

AEO

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

[Add row]

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

Select all that apply

☒ China

☒ Canada

☒ Mexico

☒ Puerto Rico

☒ United States of America

☒ China, Hong Kong Special Administrative Region

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	Select from: ☒ No, this is confidential data	AEO does not publicly share it's facility list, therefore this data is confidential.

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☒ Upstream value chain

☒ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☒ Tier 2 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☒ Tier 3 suppliers

(1.24.7) Description of mapping process and coverage

AEO enters contractual relationships with various first-tier vendors and factories (collectively, “Vendor” or “Vendors”) for the production of its merchandise. The Vendors: (a) source the materials (both raw and otherwise) required for the production of the Company's merchandise from various suppliers (e.g., cotton, trim, buttons, zippers); and (b) utilize various secondary and tertiary suppliers in the production of the merchandise for the Company (e.g., mills, yarn spinners, etc.). For clarification purposes, the Vendors contract with all additional suppliers directly (i.e., the Company does not have a contractual relationship with suppliers below the Vendor level). Because of this AEO knows all of their tier 1 vendors and most of their tier 2 vendors as well. We are also aware of some tier 3 vendors as well but do not have as complete a list.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Value chain stages covered in mapping
	Select from: ☒ Yes, we have mapped or are currently in the process of mapping plastics in our value chain	Select all that apply ☒ Direct operations ☒ Upstream value chain

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

1

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time period mimics our financial planning timeline.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time period mimics our financial planning timeline.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☒ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time period mimics our financial planning timeline.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.2) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

- Select all that apply
- ☒ Climate change
 - ☒ Water
 - ☒ Plastics
 - ☒ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

- Select all that apply
- ☒ Risks

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Upstream value chain
- ☒ Downstream value chain

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- ☒ Tier 1 suppliers
- ☒ Tier 2 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ Every three years or more

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Not location specific

(2.2.2.12) Tools and methods used

Other

- ☒ Desk-based research
- ☒ External consultants
- ☒ Materiality assessment
- ☒ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Market

- ☒ Availability and/or increased cost of raw materials

Reputation

- ☒ Increased partner and stakeholder concern and partner and stakeholder negative feedback

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- ☒ NGOs
- ☒ Customers
- ☒ Employees
- ☒ Other, please specify :**industry groups and peer companies**

- ☒ Investors
- ☒ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ Yes

(2.2.2.16) Further details 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, energy, and water. We identified a list of potential material topics by reviewing external standards and our 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.. A new materiality assessment was conducted in the second half of 2024. This was a double materiality assessment conducted by external consultants, but followed a similar process to the assessment we had conducted in 2020. 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 RE 100 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 change. 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.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

- ☒ Climate change
- ☒ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- ☒ Risks

- ☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- ☒ Direct operations
- ☒ Downstream value chain

(2.2.2.4) Coverage

Select from:

- ☒ Full

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

- ☒ Annually

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☒ Not location specific

(2.2.2.12) Tools and methods used

Other

☒ Internal company methods

(2.2.2.13) Risk types and criteria considered

Liability

☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☒ Employees

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☒ Yes

(2.2.2.16) Further details of process

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

Row 3

(2.2.2.1) Environmental issue

Select all that apply

☒ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☒ Risks

☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Downstream value chain

(2.2.2.4) Coverage

Select from:

☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☒ Tier 1 suppliers

☒ Tier 2 suppliers

(2.2.2.7) Type of assessment

Select from:

☒ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

- ☒ Not defined

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Site-specific
- ☒ Sub-national
- ☒ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- ☒ Other commercially/publicly available tools, please specify

Databases

- ☒ Other databases, please specify

Other

- ☒ External consultants

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Tornado
- ☒ Wildfires
- ☒ Heat waves
- ☒ Cold wave/frost
- ☒ Cyclones, hurricanes, typhoons
- ☒ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

- ☒ Heat stress
- ☒ Increased severity of extreme weather events

Market

- ☒ Availability and/or increased cost of certified sustainable material
- ☒ Availability and/or increased cost of raw materials
- ☒ Changing customer behavior

Liability

- ☒ Exposure to litigation
- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- ☒ Employees

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ Yes

(2.2.2.16) Further details of process

In 2023 completed a high-level climate-related risk assessment in alignment with the Taskforce for Climate-related Financial Disclosures (TCFD) framework with the help of a third-party consulting firm. This assessment evaluated our global operations, including our value chain, to identify potential climate-related physical and transition risks and opportunities that could have a substantive financial or strategic impact. An increased understanding of these factors will support policy and framework development, site engagement, capacity building, strategic investments, risk management, reporting, and continuous improvement.

Row 4

(2.2.2.1) Environmental issue

Select all that apply

☒ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☒ Risks

(2.2.2.3) Value chain stages covered

Select all that apply

☒ Direct operations

(2.2.2.4) Coverage

Select from:

☒ Full

(2.2.2.7) Type of assessment

Select from:

☒ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☒ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☒ Short-term

☒ Medium-term

☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☒ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☒ Site-specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☒ WRI Aqueduct

Other

☒ External consultants

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Cyclones, hurricanes, typhoons
- ☒ Drought
- ☒ Flood (coastal, fluvial, pluvial, ground water)

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- ☒ Employees

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ No

(2.2.2.16) Further details of process

The WRI Aqueduct tool provides insights into overall water risk for an organization, physical risks such as baseline water stress, water depletion, flooding and drought risk, etc., and regulatory and reputational risks as well. The Aqueduct Risk Filter plots and assesses current and future risks across locations based on submitted facility location and water usage data. The tool defines baseline water stress as the ratio of total water withdrawals to available renewable surface and ground water supplies. By assessing overall water risk, the tool considers quantity-based physical risks (coastal flood risk, drought risk, groundwater table decline, etc.), quality-related physical risks (untreated connected wastewater and coastal eutrophication potential), regulatory and reputational risk (unimproved/no drinking water or sanitation, and peak RepRisk country ESG risk index). Constraints include lack of data granularity: WRI Aqueduct tool relies on global and regional datasets, which may not always capture local nuances. For AEO, with operations in smaller geographic areas or those requiring fine-scale data, the resolution may be too broad to identify localized risks accurately.

Row 5

(2.2.2.1) Environmental issue

Select all that apply

- ☒ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☒ Risks

(2.2.2.3) Value chain stages covered

Select all that apply

☒ Upstream value chain

(2.2.2.4) Coverage

Select from:

☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☒ Tier 1 suppliers

☒ Tier 2 suppliers

(2.2.2.7) Type of assessment

Select from:

☒ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☒ Annually

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Site-specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- ☒ WWF Water Risk Filter

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Cyclones, hurricanes, typhoons
- ☒ Drought
- ☒ Flood (coastal, fluvial, pluvial, ground water)
- ☒ Heavy precipitation (rain, hail, snow/ice)

Chronic physical

- | | |
|---|---|
| ☒ Water stress | ☒ Water quality at a basin/catchment level |
| ☒ Coastal erosion | ☒ Precipitation or hydrological variability |
| ☒ Groundwater depletion | ☒ Water availability at a basin/catchment level |

- ☒ Declining water quality
- ☒ Poorly managed sanitation

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Increased levels of environmental pollutants in freshwater bodies

Policy

- ☒ Increased pricing of water
- ☒ Limited or lack of river basin management

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- ☒ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ Yes

(2.2.2.16) Further details of process

The WWF Water Risk Filter tool provides a robust evaluation of water-related risks, including physical factors such as scarcity, flooding, quality, drought, and ecosystem service status, as well as regulatory and reputational dimensions. By leveraging facility location and water usage data, the tool assesses both current and future risks across operational sites. However, a key constraint is the granularity of data. As the tool relies primarily on global and regional datasets, it may overlook local-level nuances and evolving regulations, limiting its effectiveness in identifying and mitigating basin-specific risks. This presents challenges for AEO operations in smaller geographic areas or those requiring detailed, site-specific analysis. Additionally, validating water-related risks with suppliers remains essential to ensure accuracy and alignment across the value chain. The WRI Aqueduct tool delivers comprehensive data on a range of water-related challenges—including scarcity, quality issues, flood risks, and regulatory impacts—that are vital to AEO's supply chain operations. At the time of analysis, it represented the most appropriate and reliable scenario available.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

	Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed	Primary reason for not assessing interconnections between environmental dependencies, impacts, risks and/or opportunities	Explain why you do not assess the interconnections between environmental dependencies, impacts, risks and/or opportunities
	<i>Select from:</i> ☒ No	<i>Select from:</i> ☒ No standardized procedure	<i>AEO recognizes this is important but we haven't standardized procedures around this process yet.</i>

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☒ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☒ Upstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☒ Areas of limited water availability, flooding, and/or poor quality of water

Locations with substantive dependencies, impacts, risks, and/or opportunities

☒ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

Priority locations in our supply chain are identified by the share of business we place with them (procurement spend and/or number of units) and hotspots for different environmental factors (water, ghg emissions, plastics use, etc.). We have a group of ~40 strategic suppliers that we engage highly with on most topics. From there, we also typically look at the top 80% of our supply chain partners for our environmental programs. For other topics, plastic for example, we engage with the relevant suppliers in our supply chain to gather information and roll out programs.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☒ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☒ Qualitative

☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☒ Revenue

(2.4.3) Change to indicator

Select from:

☒ % decrease

(2.4.4) % change to indicator

Select from:

(2.4.6) Metrics considered in definition

Select all that apply

- ☑ Frequency of effect occurring
- ☑ Time horizon over which the effect occurs
- ☑ Likelihood of effect occurring

(2.4.7) Application of definition

American Eagle Outfitters assesses substantive effects on our organization based on a combination of quantitative and qualitative factors, considering both risks and opportunities related to climate change. We define substantive effects as those that could individually or collectively have a material adverse impact on our business, financial condition, or results of operations. Specifically we would look at impact to revenue (absolute decrease >5%), EBITDA (absolute decrease >10%), market share (absolute decrease >2%), brand reputation, and regulatory compliance (>\$1M). We evaluate the frequency with which an effect is likely to occur. A recurring effect may be deemed substantive even if the individual impact is smaller. Time frame is evaluated over which the effect is expected to manifest. Longer-term effects may be considered substantive due to their potential for cumulative impact. Likelihood is assessed as the probability of the effect occurring. An effect with a high likelihood may be considered substantive even if the potential impact is moderate. Depending on the specific effect, we may also consider other metrics like capital expenditures, employee turnover, or supply chain disruptions. This definition of substantive effects is integrated into our strategic planning, risk management, and climate-related financial disclosure processes. It guides our decision-making regarding resource allocation, risk mitigation strategies, and the prioritization of climate-related initiatives. Specific thresholds and indicators may evolve as AEO continues to refine its approach to assessing climate-related risks and opportunities.

Opportunities

(2.4.1) Type of definition

Select all that apply

- ☑ Qualitative
- ☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- ☑ Market share

(2.4.3) Change to indicator

Select from:

☒ % decrease

(2.4.4) % change to indicator

Select from:

☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☒ Frequency of effect occurring

☒ Time horizon over which the effect occurs

☒ Likelihood of effect occurring

(2.4.7) Application of definition

American Eagle Outfitters assesses substantive effects on our organization based on a combination of quantitative and qualitative factors, considering both risks and opportunities related to climate change. We define substantive effects as those that could individually or collectively have a material adverse impact on our business, financial condition, or results of operations. Specifically we would look at impact to revenue (absolute decrease >5%), EBITDA (absolute decrease >10%), market share (absolute decrease >2%), brand reputation, and regulatory compliance (>\$1M). We evaluate the frequency with which an effect is likely to occur. A recurring effect may be deemed substantive even if the individual impact is smaller. Time frame is evaluated over which the effect is expected to manifest. Longer-term effects may be considered substantive due to their potential for cumulative impact. Likelihood is assessed as the probability of the effect occurring. An effect with a high likelihood may be considered substantive even if the potential impact is moderate. Depending on the specific effect, we may also consider other metrics like capital expenditures, employee turnover, or supply chain disruptions. This definition of substantive effects is integrated into our strategic planning, risk management, and climate-related financial disclosure processes. It guides our decision-making regarding resource allocation, risk mitigation strategies, and the prioritization of climate-related initiatives. Specific thresholds and indicators may evolve as AEO continues to refine its approach to assessing climate-related risks and opportunities.

[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	Please explain
	Select from: ☒ No, we do not identify and classify our potential water pollutants	<i>AEO does not currently classify potential water pollutants.</i>

[Fixed row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☒ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☒ Yes, only in our upstream/downstream value chain

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Plastics use within our direct operations is not material to the business. Plastic use in our value chain which is material, is identified.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Market

☒ Other market risk, please specify :Increased cost of raw materials

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Upstream value chain

(3.1.1.9) Organization-specific description of risk

As an apparel brand, we are heavily reliant on cotton and other raw materials to produce our garments. Growth of cotton and the fiber manufacturing process require significant water accessibility. AEO operates and sources in regions that are susceptible to water scarcity and drought which could adversely impact or ability to procure goods due to competition, decreases in crop yields and production, and ultimately increase costs. Cotton is currently grown in some of the most arid regions of the world, and climate change can significantly impact the quality, availability and pricing of cotton.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ More likely than not

(3.1.1.14) Magnitude

Select from:

☒ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Our raw material prices could see significant increases causing lowering margin on product or higher costs passed along to consumers which could change our customer base, altering the business.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Policies and plans

☒ Increased use of sustainably sourced materials

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Cotton is a key component of our manufacturing process and garment material makeup. If climate change were to create conditions that were unsuitable for the production of cotton in any of the regions we currently source from, this would significantly impact our ability to source this material and produce our products. Cotton costs may increase as a result of changing climatic conditions and in turn increase our own production costs. If there was a decrease in availability, this could impact customer spending and negative point-of-sale trends for our merchandise

(3.1.1.29) Description of response

AEO is focused on implementing circularity initiatives to reduce the reliance on raw materials such as cotton. AEO has a goal to source 100% sustainable cotton which includes recycled, organic and sustainably sourced cotton through Better Cotton – by 2028. In 2023, we sourced 60% of cotton from more sustainable sources. Currently, AEO is taking measures to diversify its supply chain, reduce dependence on any one raw material, and identify alternative, more sustainable sources of raw materials. If continued, we may be better positioned to weather these risks and ensure long-term sustainability.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Cyclone, hurricane, typhoon

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ United States of America

(3.1.1.9) Organization-specific description of risk

AEO has offices, distribution centers and company owned stores in regions that are exposed to extreme weather such as hurricanes. AEO also has supplier, customers, manufacturer, and material sourcing in regions that are exposed to extreme weather conditions. These storms can damage facilities, block roadways, or interrupt utilities that would ultimately prevent workers, associates and customers from accessing the buildings for prolonged periods of time. If a storm was strong enough, it could completely devastate communities and potentially force operations to permanently close in those areas. A severe weather event could significantly impact the logistics process or damage our inventory and our ability to receive our products and distribute them to customers which could have adverse impacts on customer spending and negative point-of-sale trends for our merchandise. Climate change is expected to increase the frequency and severity of weather events which would impact AEO or AEO's vendors operations specifically in regions that are vulnerable to these conditions already.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ About as likely as not

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Storms disrupting business as usual, transportation, store operations, etc. could significantly disrupt the businesses' cash flow.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ No

(3.1.1.26) Primary response to risk

Policies and plans

☒ Develop flood emergency plans

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

Increased storms could impact operations and lead to store closures that could result in a loss of revenue. These storms could also affect business operations, operating results, and this the ultimate financial condition of the company

(3.1.1.29) Description of response

Now that AEO has identified the regions that are exposed to potential climate-related physical risks, we can implement safeguards to better address these risks. That could include the development of a storm safe to store valuable content in the event of a storm and/or retrofitting buildings to withstand strong storms and prevent flooding. AEO has a diverse value chain where we and our vendors operate around the world reducing our risk of significant financial impacts if one area was to be impacted, that along with our business continuity planning and disaster recovery position us well.

[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

Mexico

☒ Other, please specify :R  o Lerma

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☒ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☒ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☒ Less than 1%

(3.2.11) Please explain

AEO has 1 store locations in Mexico - R  o Lerma river basin at extremely high risk for baseline water stress and riverine flood risk.

Row 2

(3.2.1) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf Coast

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☒ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

5

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☒ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☒ Less than 1%

(3.2.11) Please explain

AEO has 5 store locations in USA - Gulf Coast basin at extremely high risk for baseline water stress and riverine flood risk.

Row 3

(3.2.1) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf of Mexico, North Atlantic Coast

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☒ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☒ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☒ Less than 1%

(3.2.11) Please explain

AEO has 1 store location in USA Gulf of Mexico, North Atlantic Coast basin at extremely high risk for baseline water stress and riverine flood risk.

Row 4

(3.2.1) Country/Area & River basin

United States of America

☒ Other, please specify :California

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☒ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☒ Less than 1%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☒ Less than 1%

(3.2.11) Please explain

AEO has 1 store location in USA - California basin at extremely high risk for baseline water stress and riverine flood risk.

[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☒ No	AEO was not subject to any fines during the reporting period.

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☒ No, and we do not anticipate being regulated in the next three years

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified	Please explain
Climate change	Select from: ☒ Yes, we have identified opportunities but are unable to realize them	Opportunities have been identified but plans to take advantage of them are still being developed.
Water	Select from: ☒ Yes, we have identified opportunities but are unable to realize them	Opportunities have been identified but plans to take advantage of them are still being developed.

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☒ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ United States of America

(3.6.1.8) Organization specific description

AEO is committed to achieving carbon neutrality across all our owned and operated facilities and associated business travel by 2030 by sourcing 100% renewable energy. To achieve this goal AEO should prioritize investing in generating renewable energy at our own operating centers to generate and use renewable sources across all its global operations and facilities. This is not only important for our climate strategy, it is also an opportunity to reduce AEO's direct energy costs.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☒ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

N/A

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Investing in renewable energy will not only help us achieve our 2030 goals but also help us hedge against energy cost volatility and provide financial savings by shifting towards renewable energy sources.

(3.6.1.26) Strategy to realize opportunity

AEO has completed its renewable energy roadmap in which we have laid out how will we prioritize and implement the transition to renewable energy. This includes investigating on-site solar where feasible, investing in a virtual power purchase agreement (VPPA) and purchasing renewable energy certificates (REC) through our utility suppliers. The cost to implement this plan could include an initial capital expenditure for on-site solar or signing a long-term contract for a VPPA with a fixed cost of electricity.

Water

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☒ Reduced water usage and consumption

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Upstream value chain

(3.6.1.8) Organization 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. AEO is already working with critical laundries to implement new technologies and equipment that dramatically decrease the overall water needs by incorporating resource-efficient technology such as water-efficient garment finishing and washing processes and wastewater treatment methods in our jeans manufacturing process. Expanding these efforts across all our products and business units would help us in achieving our water use targets.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☒ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

N/A

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

Reductions in water use and wastewater would not only help us achieve our sustainability goals. They would also help lower or reduce our utility costs associated with water use, thus supporting us in preventing higher manufacturing costs of our products. We have seen a 40% 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.

(3.6.1.26) Strategy to realize opportunity

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 39%, and increased the amount of water recycling to 64%. With these efforts, our factories have saved over one billion gallons of fresh water a year.

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☒ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☒ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☒ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☒ No

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ Yes

Water

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ No, but we plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☒ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Biodiversity was not part of our last materiality assessment completed in 2020 and therefore has not been on our priority list. We do cover topics included in biodiversity but do not currently address it as a separate topic as part of our program. We updated our materiality assessment at the end of 2024 and this topic will be included moving forward.

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Other C-Suite Officer
- ☒ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Other policy applicable to the board, please specify :Nominating, Governance and Corporate Social Responsibility Committee Charter

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- ☒ Reviewing and guiding annual budgets
- ☒ Overseeing and guiding scenario analysis
- ☒ Overseeing the setting of corporate targets
- ☒ Monitoring progress towards corporate targets
- ☒ Overseeing and guiding major capital expenditures
- ☒ Overseeing and guiding the development of a business strategy
- ☒ Overseeing and guiding acquisitions, mergers, and divestitures
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

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

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Other C-Suite Officer
- ☒ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Other policy applicable to the board, please specify :Nominating, Governance and Corporate Social Responsibility Committee Charter

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- ☒ Reviewing and guiding annual budgets
- ☒ Overseeing and guiding scenario analysis

- ☒ Overseeing the setting of corporate targets
- ☒ Monitoring progress towards corporate targets
- ☒ Overseeing and guiding major capital expenditures
- ☒ Overseeing and guiding the development of a business strategy
- ☒ Overseeing and guiding acquisitions, mergers, and divestitures
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The EVP - Chief Supply Chain & Technology Officer (CSCO) leads all aspects of Supply Chain including production, sourcing, logistics, and distribution. The CSCO oversees 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 CSCO's responsibilities include Corporate Responsibility, which houses the team working on sustainability and climate. The VP - Corporate Responsibility, who oversees all sustainability goals, reports directly to the CSCO and meets with her on a weekly basis to review AEO's program and progress.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

- ☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- ☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

- ☒ Course certificate (relating to environmental issues), please specify :Competent Board's ESG certification program

Other

☒ Other, please specify :holding ESG-related roles on other company boards, continuing education in the form of forums, conferences, summits, etc.

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

☒ Course certificate (relating to environmental issues), please specify :Competent Board's ESG certification program

Other

☒ Other, please specify :holding ESG-related roles on other company boards, continuing education in the form of forums, conferences, summits, etc.

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ Yes

Water

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☒ Not an immediate strategic priority

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

Biodiversity was not part of our last materiality assessment completed in 2020 and therefore has not been on our priority list. We do cover topics included in biodiversity but do not currently address it as a separate topic as part of our program. We are updating our materiality assessment in 2024 and this topic will be included moving forward.

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Other C-Suite Officer, please specify :EVP - Chief Supply Chain & Technology Officer (CSCO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☒ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☒ Measuring progress towards environmental corporate targets

☒ Measuring progress towards environmental science-based targets

(4.3.1.4) Reporting line

Select from:

☒ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☒ More frequently than quarterly

(4.3.1.6) Please explain

Board-level oversight of all sustainability issues, including climate-related issues, is undertaken by the Nominating, Governance and Corporate Social Responsibility Committee of the board. This committee, comprised of six directors, reports to the full board on ESG-related activities and is responsible for social corporate responsibility, sustainability and other corporate governance matters. The committee receives quarterly written reports on AEO's progress against its sustainability goals as well as semi-annual in-person or virtual presentations from the VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals. In addition to this committee, an Executive Sustainability Committee meets quarterly and is responsible for overall governance and accountability towards the company's sustainability goals. This committee is sponsored by the President of AE & Aerie and the COO and is made up of the top leadership (VPs, SVPs, and EVPs) for stores, finance, logistics & transportation/DCs, production, merchandising, strategy, design, investor relations/communications, marketing, digital, and legal. The EVP - Chief Supply Chain and Technology Officer (CSCO) leads all aspects of Supply Chain including production, sourcing, logistics, and distribution. The CSCO

oversees 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 CSCO's responsibilities include Corporate Responsibility, which houses the team working on sustainability and climate. The VP - Corporate Responsibility, who oversees all sustainability goals, reports directly to the CSCO and meets with her on a weekly basis to review AEO's program and progress.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Other C-Suite Officer, please specify :EVP - Chief Supply Chain & Technology Officer (CSCO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☒ Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

☒ Measuring progress towards environmental corporate targets

☒ Measuring progress towards environmental science-based targets

(4.3.1.4) Reporting line

Select from:

☒ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☒ More frequently than quarterly

(4.3.1.6) Please explain

Board-level oversight of all sustainability issues, including climate-related issues, is undertaken by the Nominating, Governance and Corporate Social Responsibility Committee of the board. This committee, comprised of six directors, reports to the full board on ESG-related activities and is responsible for social corporate responsibility, sustainability and other corporate governance matters. The committee receives quarterly written reports on AEO's progress against its sustainability goals as well as semi-annual in-person or virtual presentations from the VP - Responsible Sourcing & Sustainability, who oversees all sustainability goals. In addition to this committee, an Executive Sustainability Committee meets quarterly and is responsible for overall governance and accountability towards the company's sustainability goals. This committee is sponsored by the President of AE & Aerie and the COO and is made up of the top leadership (VPs, SVPs, and EVPs) for stores, finance, logistics & transportation/DCs, production, merchandising, strategy, design, investor relations/communications, marketing, digital, and legal. The EVP - Chief Supply Chain and Technology Officer (CSCO) leads all aspects of Supply Chain including production, sourcing, logistics, and distribution. The CSCO oversees 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 CSCO's responsibilities include Corporate Responsibility, which houses the team working on sustainability and climate. The VP - Corporate Responsibility, who oversees all sustainability goals, reports directly to the CSCO and meets with her on a weekly basis to review AEO's program and progress.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

	Provision of monetary incentives related to this environmental issue	Please explain
Climate change	Select from: ☒ No, but we plan to introduce them in the next two years	We have had incentives in the past but they are being reassessed and we plan to reintroduce incentives next year.
Water	Select from: ☒ No, but we plan to introduce them in the next two years	We have had incentives in the past but they are being reassessed and we plan to reintroduce incentives next year.

[Fixed row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	<i>Select from:</i> ☒ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☒ Climate change

(4.6.1.2) Level of coverage

Select from:

☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Downstream value chain

(4.6.1.4) Explain the coverage

AEO's Climate Policy outlines our climate goals and our approach to meeting those goals.

(4.6.1.5) Environmental policy content

Climate-specific commitments

- ☒ Commitment to 100% renewable energy
- ☒ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- ☒ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

- ☒ Publicly available

(4.6.1.8) Attach the policy

AEO-Climate-Policy_7.2025.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

- ☒ Water

(4.6.1.2) Level of coverage

Select from:

- ☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- ☒ Upstream value chain

(4.6.1.4) Explain the coverage

American Eagle Outfitters, Inc. (AEO)'s Supplier Code of Conduct outlines expectations for our supply chain partners. AEO is dedicated to the highest level of social and environmental responsibility. As part of that commitment, we direct our business relationships to those suppliers, including our sourcing agents, vendors, factories and their own suppliers, who share our vision of ethical and fair working conditions. Our Code of Conduct, which is based on internationally accepted standards, including the International Labor Organization (ILO)'s core conventions and the Universal Declaration of Human Rights, outlines the minimum standards that we require of our suppliers. In addition to these baseline expectations, suppliers must comply with all legal regulations and are encouraged to incorporate best practices into their workplaces. Where issues of non-compliance are identified, we expect suppliers to take immediate steps to remediate and to demonstrate continuous improvement.

(4.6.1.5) Environmental policy content

Environmental commitments

- ☒ Commitment to comply with regulations and mandatory standards

Social commitments

- ☒ Adoption of the UN International Labour Organization principles

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- ☒ No, but we plan to align in the next two years

(4.6.1.7) Public availability

Select from:

- ☒ Publicly available

(4.6.1.8) Attach the policy

Code-of-Conduct_June-2022.pdf

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☒ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

- | | |
|--|---|
| ☒ RE100 | ☒ Sustainable Apparel Coalition (SAC) |
| ☒ HerProject | ☒ Science-Based Targets Initiative (SBTi) |
| ☒ Textile Exchange | ☒ Task Force on Climate-related Financial Disclosures (TCFD) |
| ☒ We Mean Business | ☒ Other, please specify : Fashion Charter for Climate Action |
| ☒ Better Cotton Initiative (BCI) | |

(4.10.3) Describe your organization's role within each framework or initiative

AEO has an approved science-based target and has committed to set a net-zero target through the SBTi. AEO has also been a member of RE100 with a 100% renewable energy target since 2020. As part of the SBTN we are also a member of the We Mean Business coalition. AEO has been a Fashion Charter for Climate Action signatory since 2019 and has participated in various working groups, included the working groups on Scope 1&2 emissions, manufacturing, and the 1.5 alignment task team. In 2022 AEO completed its first climate-scenario analysis in line with the TCFD principles. AEO has been a member of BCI, SAC, Textile Exchange, and HerProject for many years.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☒ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☒ No, but we plan to have one in the next two years

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☒ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

AEO does not currently have a process in place.

[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

North America

☒ Other trade association in North America, please specify :Retail Industry Leaders Association (RILA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their 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. Through research and thought leadership, we propel developments that foster both economic growth and sustainability. The key environmental impact areas across RILA's membership align around waste and energy, and the key responsible sourcing social impact areas focus on ethical working conditions in owned and contracted supplier facilities. These areas translate into action through our five committees: Sustainability (environmental), Responsible Sourcing, Environmental Compliance, Energy Management, and Zero Waste. For environmental sustainability, our priorities are increasing efficiency and waste diversion and exploring circular economy innovations for waste – and increasing efficiency and reducing greenhouse gas (GHG) emissions for energy. AEO sits on both the environmental sustainability and responsible sourcing committees at RILA.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☒ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

The organization is founded around reducing greenhouse gas emissions in line with the Paris Agreement and has a policy engagement working group that aims to help push legislation in that direction.

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

We both have policies in line with the Paris Agreement and goal to reduce greenhouse emissions in line as well.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

25000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

This is our membership fee. The organization is founded around reducing greenhouse gas emissions in line with the Paris Agreement and has a policy engagement working group that aims to help push legislation in that direction.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☒ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☒ In voluntary communications

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☒ Climate change

☒ Water

(4.12.1.4) Status of the publication

Select from:

☒ Underway - previous year attached

(4.12.1.5) Content elements

Select all that apply

- ☒ Strategy
- ☒ Emissions figures
- ☒ Emission targets
- ☒ Water accounting figures

(4.12.1.6) Page/section reference

Entire document

(4.12.1.7) Attach the relevant publication

AEO_2023-Planet-Progress-Updates.pdf

(4.12.1.8) Comment

2023 Data Update

Row 2

(4.12.1.1) Publication

Select from:

- ☒ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- ☒ Climate change
- ☒ Water

(4.12.1.4) Status of the publication

Select from:

☒ Complete

(4.12.1.5) Content elements

Select all that apply

☒ Content of environmental policies

☒ Strategy

☒ Emissions figures

☒ Emission targets

☒ Water accounting figures

(4.12.1.6) Page/section reference

Entire document

(4.12.1.7) Attach the relevant publication

AEO_2022ESGReport_Digital.pdf

(4.12.1.8) Comment

2022 ESG Report

Row 3

(4.12.1.1) Publication

Select from:

☒ In voluntary communications

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☒ Climate change

☒ Water

(4.12.1.4) Status of the publication

Select from:

☒ Complete

(4.12.1.5) Content elements

Select all that apply

☒ Content of environmental policies

☒ Strategy

☒ Emissions figures

☒ Emission targets

☒ Water accounting figures

(4.12.1.6) Page/section reference

<https://www.aeo-inc.com/sustainability/> entire document

(4.12.1.8) Comment

website pages

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ Every three years or less frequently

Water

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ SSP1

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Liability

☒ Reputation

☒ Technology

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 1.5°C or lower

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

- ☒ 2050
- ☒ 2080
- ☒ Other, please specify :2022

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

- ☒ Political impact of science (from galvanizing to paralyzing)
- ☒ Level of action (from local to global)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

This scenario includes the following high-level assumptions: 1) Aggressive mitigation & adaptation efforts engaged, 2) Net zero emissions by 2050-2075, 3) Global carbon levels decrease significantly, 4) Global generation of renewable power significantly increases, and 5) Energy efficiency reduces overall GHG emissions.

(5.1.1.11) Rationale for choice of scenario

Low emissions scenario to represent the 1.5°C goal of the Paris Agreement

Water

(5.1.1.1) Scenario used

Water scenarios
☒ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Chronic physical

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☒ Other, please specify :Aqueduct's baseline is a representation of the current situation - 2023

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The WRI Aqueduct tool provides insights into overall water risk for an organization, physical risks such as baseline water stress, water depletion, flooding and drought risk, etc., and regulatory and reputational risks as well. The Aqueduct Risk Filter plots and assesses current and future risks across locations based on submitted facility location and water usage data. The tool defines baseline water stress as the ratio of total water withdrawals to available renewable surface and ground water supplies. By assessing overall water risk, the tool considers quantity-based physical risks (coastal flood risk, drought risk, groundwater table decline, etc.), quality-related physical risks (untreated connected wastewater and coastal eutrophication potential), regulatory and reputational risk (unimproved/no drinking water or sanitation, and peak RepRisk country ESG risk index). Constraints include lack of data granularity: WRI Aqueduct tool relies on global and regional datasets, which may not always capture local nuances. For AEO, with operations in smaller geographic areas or those requiring fine-scale data, the resolution may be too broad to identify localized risks accurately.

(5.1.1.11) Rationale for choice of scenario

WRI Aqueduct tool provides and covers comprehensive data on various water-related challenges such as scarcity, quality, flood risks, and regulatory impacts, which are critical for AEO's global operations. This was the best available scenario at the time of analysis

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ SSP2

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- | | |
|--|--|
| ☒ Policy | ☒ Acute physical |
| ☒ Market | ☒ Chronic physical |
| ☒ Liability | |
| ☒ Reputation | |
| ☒ Technology | |

(5.1.1.6) Temperature alignment of scenario

Select from:

- ☒ 2.0°C - 2.4°C

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

- ☒ 2050
- ☒ 2080
- ☒ Other, please specify :2022

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

- ☒ Political impact of science (from galvanizing to paralyzing)
- ☒ Level of action (from local to global)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

This scenario includes the following high-level assumptions: 1) Fossil fuels are modestly reduced, 2) Increase in renewables energy use, 3) On a trajectory for sea level rise of 0.32-0.63m by 2100, 4) Projected 58-62% increase in ocean acidity, 5) Most small mammals and freshwater mollusks will go extinct, and 6) Wheat, rice, and maize in tropical and temperate regions will be negatively impacted.

(5.1.1.11) Rationale for choice of scenario

Intermediate scenario- CO2 emissions around current levels until 2050, then falling but not reaching Net Zero by 2100

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ SSP5

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- ☒ Policy
- ☒ Market
- ☒ Liability
- ☒ Reputation
- ☒ Technology
- ☒ Acute physical
- ☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- ☒ 4.0°C and above

(5.1.1.7) Reference year

2022

(5.1.1.8) Timeframes covered

Select all that apply

- ☒ 2050
- ☒ 2080
- ☒ Other, please specify :2022

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

- ☒ Political impact of science (from galvanizing to paralyzing)
- ☒ Level of action (from local to global)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

This scenario includes the following high-level assumptions: 1) Global GHG levels increase, 2) On a trajectory for sea level rise of 65cm by 2100, 3) 100-109% increase in ocean acidity, and 4) More severe and widespread storms and impacts on threatened systems, substantial species extinction, large risks to food security, consequential constraints on common human activities, increased likelihood of triggering tipping points, and limited potential for adaptation.

(5.1.1.11) Rationale for choice of scenario

Business as usual scenario- Very high emissions, fossil-fuel-based development

Water

(5.1.1.1) Scenario used

Water scenarios

☒ WWF Water Risk Filter

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☒ Other, please specify :Supply chain

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Acute physical

☒ Chronic physical

☒ Policy

☒ Reputation

(5.1.1.7) Reference year

(5.1.1.8) Timeframes covered

Select all that apply

☒ Other, please specify :WRI's baseline is a representation of the current situation - 2024

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Changes to the state of nature

Stakeholder and customer demands

☒ Impact of nature footprint on reputation

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The WWF Water Risk Filter tool provides a robust evaluation of water-related risks, including physical factors such as scarcity, flooding, quality, drought, and ecosystem service status, as well as regulatory and reputational dimensions. By leveraging facility location and water usage data, the tool assesses both current and future risks across operational sites. However, a key constraint is the granularity of data. As the tool relies primarily on global and regional datasets, it may overlook local-level nuances and evolving regulations, limiting its effectiveness in identifying and mitigating basin-specific risks. This presents challenges for AEO operations in smaller geographic areas or those requiring detailed, site-specific analysis. Additionally, validating water-related risks with suppliers remains essential to ensure accuracy and alignment across the value chain. The WRI Aqueduct tool delivers comprehensive data on a range of water-related challenges—including scarcity, quality issues, flood risks, and regulatory impacts—that are vital to AEO's supply chain operations. At the time of analysis, it represented the most appropriate and reliable scenario available.

(5.1.1.11) Rationale for choice of scenario

The WWF Water Risk Filter tool provides a robust evaluation of water-related risks, including physical factors such as scarcity, flooding, quality, drought, and ecosystem service status, as well as regulatory and reputational dimensions. By leveraging facility location and water usage data, the tool assesses both current and future risks across operational sites. However, a key constraint is the granularity of data. As the tool relies primarily on global and regional datasets, it may overlook local-level nuances and evolving regulations, limiting its effectiveness in identifying and mitigating basin-specific risks. This presents challenges for AEO operations in smaller geographic areas or those requiring detailed, site-specific analysis. Additionally, validating water-related risks with suppliers remains essential to ensure accuracy and alignment across the value chain. The WRI Aqueduct tool delivers comprehensive data on a range of water-related challenges—including scarcity, quality issues, flood risks, and regulatory impacts—that are vital to AEO's supply chain operations. At the time of analysis, it represented the most appropriate and reliable scenario available.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☒ Scenario analysis has not influenced our business processes

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☒ Scenario analysis has not influenced our business processes

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

	Transition plan	Primary reason for not having a climate transition plan that aligns with a 1.5°C world	Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world
	Select from: ☒ No, but we are developing a climate transition plan within the next two years	Select from: ☒ Lack of internal resources, capabilities, or expertise (e.g., due to organization size)	AEO has begun work on a climate transition plan but has not yet completed the plan, we plan to complete this in the next two years.

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

- ☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- ☒ Products and services
☒ Upstream/downstream value chain
☒ Investment in R&D
☒ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

In completing our scope 3 baseline and setting emissions reduction targets, we identified that our purchased goods 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. Additionally, previous product LCAs focused on our denim showed the high amount of water used to produce a pair of jeans. This led to the creation of our water leadership program and company water reduction and recycling goals. Current water risk assessments have highlighted the risk in particular sourcing regions, only further underpinning the need to incorporate water savings into our products. Making our products with less water usage will help insulate us from being reliant on dwindling resources in a changing climate.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change
- ☒ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

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. Water risk assessments of our supply chain have similarly shown the importance of reducing the amount of water we use to make our products. We have begun this journey by collecting metrics on supplier energy performance and water usage via Cascale's Higg Facility Environmental Module (FEM). In 2017 we launched the Water Leadership Program with our denim factories. This program sets expectations for our factories on wastewater, water reduction, water recycling and chemical management. Since 2020 we have been collaborating with the Apparel Impact Institute (AII) to conduct improvement programs at our suppliers as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions. These programs help build strategic relationships with suppliers and provides benefits to both parties. Each year, our expectation increase 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. In the next few years, climate change performance and metrics will also 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

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

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 transitioning to sustainable materials that have lower associated GHG emissions. In order to do this it is essential to explore and develop new sustainable materials. Designers are actively seeking out sustainable materials, such as organic fibers, recycled fabrics, and innovative alternatives like bio-based materials. Development teams are exploring ways to reduce water usage, and minimize energy and emissions-intensive processes. One example is using solution dye, a low-impact dyeing methods where a permanent, colorfast dye is an integral part of the fiber. Solution dyeing uses less water, energy, and chemicals than traditional dyeing methods. By aligning ourselves with suppliers who share our sustainability goals, we have been able to strengthen our supply chain resilience while reducing our reliance on non-renewable resources.

Operations

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

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. We have begun procuring renewable energy through contracts with suppliers in deregulated states. All of these steps help us reduce our risk of being dependent on fossil fuels and allow us to take advantage of the opportunity to create savings while saving energy.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- ☒ Indirect costs
- ☒ Capital expenditures
- ☒ Other, please specify :Sourcing decisions

(5.3.2.2) Effect type

Select all that apply

- ☒ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

- ☒ Climate change

☒ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

When the board approved the AEO climate goals in 2019 they approved a budget to cover emission reduction activities through 2030 to meet those reduction goals. For example, AEO has contracted with our energy suppliers in deregulated markets in the US to purchase renewable energy for our facilities at a premium compared to brown energy. We have also financially sponsored suppliers to join the Apparel Impact Institute (AII) Clean By Design program, a program designed to help facilities improve their energy and water efficiency. 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. Climate change and water usage also affect our sourcing decisions. Suppliers who meet expectations on wastewater, water reduction, water recycling and chemical management, energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment, receive higher scores on our vendor scorecard and are prioritized for receiving business.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☒ No, but we plan to in the next two years

[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:

☒ No, and we do not plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:

☒ Not an immediate strategic priority

(5.10.4) Explain why your organization does not price environmental externalities

AEO does not anticipate a regulatory demand for an internal price on carbon or water and thus has not deemed this relevant for our organization at this time.

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	Select from: ☒ Yes	Select all that apply ☒ Climate change ☒ Water ☒ Plastics
Customers	Select from: ☒ Yes	Select all that apply ☒ Climate change ☒ Water ☒ Plastics
Investors and shareholders	Select from: ☒ Yes	Select all that apply ☒ Climate change
Other value chain stakeholders	Select from: ☒ Yes	Select all that apply ☒ Climate change ☒ Water ☒ Plastics

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☒ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☒ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☒ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

All denim suppliers and our Top 60 garment suppliers by business volume plus the related garment dyeing houses and washing facilities (covering more than 80% of Scope 3 emissions).

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☒ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☒ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☒ Dependence on water

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☒ 51-75%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

All denim garment laundries, garment dyeing houses and washing facilities used by other Top 60 garment suppliers which are covering more than 70% of procurement spend.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☒ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Plastics

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☒ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☒ Material sourcing

☒ Procurement spend

☒ Leverage over suppliers

☒ Strategic status of suppliers

☒ Supplier performance improvement

☒ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☒ Other, please specify :suppliers with highest emissions

(5.11.2.4) Please explain

We engage with all denim suppliers and our strategic partners. This includes our top 40 garment suppliers by business volume plus the related garment dyeing houses and washing facilities (covering more than 70% of Scope 3 emissions).

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

- ☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- ☒ Material sourcing
- ☒ Procurement spend
- ☒ Leverage over suppliers
- ☒ Strategic status of suppliers
- ☒ Supplier performance improvement
- ☒ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water
- ☒ Other, please specify :suppliers with highest water usage

(5.11.2.4) Please explain

We engage with all denim garment laundries, garment dyeing houses and washing facilities used by other Top 40 garment suppliers (covering more than 70% of procurement spend)

Plastics

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

- ☒ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- ☒ Material sourcing

- ☒ Procurement spend
- ☒ Strategic status of suppliers

(5.11.2.4) Please explain

We engage with all suppliers of polybags for our products so we can ensure they are following sustainable sourcing guidelines.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

	Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process	Policy in place for addressing supplier non-compliance	Comment
Climate change	<i>Select from:</i> ☒ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts	<i>Select from:</i> ☒ Yes, we have a policy in place for addressing non-compliance	<i>Anyone found to be non-compliant will be engaged and aided to ensure compliance.</i>
Water	<i>Select from:</i> ☒ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts	<i>Select from:</i> ☒ Yes, we have a policy in place for addressing non-compliance	<i>Anyone found to be non-compliant will be engaged and aided to ensure compliance.</i>

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

- ☒ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

- ☒ On-site third-party audit
- ☒ Supplier scorecard or rating
- ☒ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

- ☒ 51-75%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

- ☒ 51-75%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

- ☒ 51-75%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

- ☒ 51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

- ☒ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

- ☒ 76-99%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

- ☒ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Denim and woven bottom fabric mills and laundries involved in the Real Good program must meet the annual requirements of the AEO Water and Carbon Leadership Program. Each year, additional criteria are introduced to encourage continuous improvement among our suppliers. We perform annual evaluations with each supplier and offer training and follow-up support if they are unable to meet the requirements. Suppliers were required to comply with KPIs such as energy data tracking, energy / carbon baseline and reduction target setting, energy efficient lighting system, heat recovery from steam system, conducting feasibility studies and developing implementation plans for carbon phase out and application of renewable energy, etc. We are planning to expand the Real Good program to reflect the non-denim suppliers' performance in the AEO Water and Carbon Leadership Program in the next two years.

Water

(5.11.6.1) Environmental requirement

Select from:

- ☒ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

- ☒ On-site third-party audit
- ☒ Supplier scorecard or rating
- ☒ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☒ 51-75%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☒ 51-75%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☒ 51-75%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☒ 51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☒ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☒ 76-99%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

- ☒ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

Denim and woven bottom fabric mills and laundries involved in the Real Good program must meet the annual requirements of the AEO Water and Carbon Leadership Program. Each year, additional criteria are introduced to encourage continuous improvement among our suppliers. We perform annual evaluations with each supplier and offer training and follow-up support if they are unable to meet the requirements. Suppliers were required to comply with KPIs such as energy data tracking, energy / carbon baseline and reduction target setting, energy efficient lighting system, heat recovery from steam system, conducting feasibility studies and developing implementation plans for carbon phase out and application of renewable energy, etc. We are planning to expand the Real Good program to reflect the non-denim suppliers' performance in the AEO Water and Carbon Leadership Program in the next two years.

[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- ☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

- ☒ Provide training, support and best practices on how to measure GHG emissions
- ☒ Provide training, support and best practices on how to set science-based targets
- ☒ Provide training, support and best practices on how to mitigate environmental impact
- ☒ Support suppliers to set their own environmental commitments across their operations
- ☒ Provide training, support and best practices on how to make credible renewable energy usage claims
- ☒ Other capacity building activity, please specify :engagement campaign to educate suppliers about climate change

Information collection

- ☒ Collect GHG emissions data at least annually from suppliers

- ☒ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

- ☒ Tier 1 suppliers
- ☒ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- ☒ 51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

- ☒ 51-75%

(5.11.7.8) Number of tier 2+ suppliers engaged

78

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We launched the AEO Water and Carbon Leadership Program to our strategic Tier 1 and 2 suppliers to drive improvement on their water, carbon, wastewater and chemical management system. Every year, we set KPIs around management system and best practices for different facility types and conduct evaluation with each supplier. Energy/ Carbon - In 2023, we initiated a request for suppliers participating in the program to establish a carbon baseline and set a carbon reduction target for 2030 concerning their Scope 1 and 2 emissions. Alongside this, suppliers are required to develop and submit action plans outlining their strategies for achieving these targets. Additionally, suppliers must deliver a formal presentation to AEO detailing their progress in carbon reduction, their action plans status, and their renewable energy targets and plans by 2025. Other examples of KPIs: energy data tracking, energy efficient lighting system, heat recovery from steam system, conducting feasibility studies and developing implementation plans for carbon phase out and application of renewable energy, etc.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

- ☒ Yes, please specify the environmental requirement :Tier 1 with more than 75% of procurement spends have set up carbon reduction target by 2030 and related action plans.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

- ☒ Unknown

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

- ☒ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Capacity building

- ☒ Provide training, support and best practices on how to mitigate environmental impact
- ☒ Support suppliers to set their own environmental commitments across their operations

Information collection

- ☒ Collect targets information at least annually from suppliers
- ☒ Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)
- ☒ Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

(5.11.7.4) Upstream value chain coverage

Select all that apply

- ☒ Tier 1 suppliers
- ☒ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 51-75%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☒ 51-75%

(5.11.7.8) Number of tier 2+ suppliers engaged

65

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We launched the AEO Water and Carbon Leadership Program to our strategic Tier 1 and 2 suppliers to drive improvement on their water, carbon, wastewater and chemical management system. Every year, we set KPIs around management system and best practices for different facility types and conduct evaluation with each supplier. Water - Denim laundries and fabric mills must either demonstrate water reduction or meet AEO's low water intensity standard. In 2023, all denim laundries used recycled water for garment washing and started replacing traditional manual belly washing machines. Other examples of KPIs: tracking water usage data, establishing a water baseline, setting targets and implementation plans, and detecting water leakage through submetering records. These initiatives are being extended to non-denim laundries and fabric mills as well. Wastewater: AEO's laundries and fabric mills must conduct annual wastewater testing in accordance with the Zero Discharge of Hazardous Chemicals (ZDHC) Wastewater Guidelines and meet the foundational level requirements. If hazardous substances are found, suppliers must perform a root cause analysis and arrange for retesting after implementing corrective action plans. Other examples of KPIs: wastewater discharge data tracking and proper sludge management system, etc. Chemicals: For 2023, AEO's denim laundries and fabric mills had to ensure that at least 90% and 70% of chemical formulations used in production are certified to meet ZDHC's Manufacturing Restricted Substance List (MRSL) requirements. Additional KPIs are based on the Higg Facility Environmental Module (FEM) Chemical Section Level 1 requirements.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :T1 with more than 75% of procurement spends have set up reduction targets by 2030 and related action plans.)

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

Plastics

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ No other supplier engagement

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

- ☒ Provide training, support and best practices on how to measure GHG emissions
- ☒ Provide training, support and best practices on how to mitigate environmental impact
- ☒ Provide training, support and best practices on how to set science-based targets
- ☒ Support suppliers to set their own environmental commitments across their operations

Financial incentives

- ☒ Other financial incentive, please specify :suppliers who reduce operational emissions (Scopes 1 and 2)

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

☒ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ None

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ None

(5.11.7.8) Number of tier 2+ suppliers engaged

4

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We continue to collaborate with the Apparel Impact Institute (Aii) to pilot improvement programs at our T1 and T2 suppliers as a way to help our manufacturing partners improve the efficiency of their operations and reduce their environmental impact, including GHG emissions. Impact of engagement, including measures of success. Aii – Carbon Tech Assessment (CTA) / Carbon Leadership Program (CLP): We have nominated 20 T1 and T2 suppliers to join the Aii CTA and 2 fabric mills to join Aii CLP program in 2023. During CLP, an onsite or online assessments are conducted by third parties to identify the carbon reduction opportunities at the facility and develop a reduction roadmap. Based on the CTA and CLP results, we can see the facilities have on average the opportunity to reduce carbon emissions by 20%.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :Climate reduction goals as part of Carbon leadership program

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☒ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

☒ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 1-25%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ 1-25%

(5.11.7.8) Number of tier 2+ suppliers engaged

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

All AEO suppliers are required to phase out coal-fired boilers by 2030. AEO is also committed to stop having new suppliers with coal-fired boilers on board from 2025. Based on FEM2023 data, we have found 31 strategic T1 and T2 suppliers burning coal onsite. Through our communication with each of these suppliers, we found that three of them have already phased out coal boilers in 2023 and 16 of them have started phasing out coal by using alternative fuels. They are trying to use less % of coal for onsite steam generation. The rest of suppliers did not have any plans on how to phase out coal fired boilers yet, mainly because of insufficient alternative energy source in the local community. We will continue engaging these suppliers to understand the updated status and develop a clear roadmap for replacing coal.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :phase out of coal-fired boilers

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Information collection

☒ Collect GHG emissions data at least annually from suppliers

☒ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

☒ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ 76-99%

(5.11.7.8) Number of tier 2+ suppliers engaged

164

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

As a member of Cascale, we are always promoting the use of Higg Index Facility Environmental Module (FEM) in the industry and using it to drive environmental improvement at our supply chain. In 2024 we had over 450 Tier 1 and Tier 2 suppliers completed the Higg (FEM), which covers more than 90% of our procurement from Tier 1 and at least 70% from our Tier 2 fabric mills and trims suppliers. The environmental data we are capturing from suppliers via the Cascale's Higg Facility Environmental Model (FEM) includes energy and water consumption, production processes involved, total production volume, etc. This data is used for us to calculate the environmental footprint for product manufacturing (e.g. water consumption for laundries and fabric mills and Scope 3 GHG emissions). We also use the other FEM data to conduct annual evaluation of some strategic Tier 1 and Tier 2 suppliers to drive improvement on their carbon management system and water/carbon footprint via the AEO Water and Carbon Leadership Program. Furthermore, we have used this information to develop our roadmap to achieving our scope 3 reductions goals. Measures of success about the impact of engagement include: 1) Higg FEM self-assessment adoption rate by our Tier 1 and Tier 2 suppliers; 2) Third party verification rate of Higg FEM; 3) Percentage of data exclusion for GHG calculation; 4) Improvements on environmental performance reflected by the FEM results; and 5) Percentage of suppliers we are following up closely via AEO Water and Carbon Leadership Program using FEM as part of the requirements.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :FEM data collection

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Information collection

☒ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

☒ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☒ 76-99%

(5.11.7.8) Number of tier 2+ suppliers engaged

164

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

As a member of Cascalé, we are always promoting the use of Higg Index Facility Environmental Module (FEM) in the industry and using it to drive environmental improvement at our supply chain. In 20243 we had over 45000 Tier 1 and Tier 2 suppliers completed the Higg (FEM), which covers more than 905% of our procurement from Tier 1 and at least 760% from our Tier 2 fabric mills and trims suppliers. The environmental data we are capturing from suppliers via the Cascalé's Higg Facility Environmental Model (FEM) includes energy and water consumption, production processes involved, total production volume, etc. This data is used for us to calculate the environmental footprint for product manufacturing (e.g. water consumption for denim laundries and fabric mills and Scope 3 GHG emissions). We also use the other FEM data to conduct annual evaluation of some strategic Tier 1 and Tier 2 suppliers to drive improvement on their carbon management system and water/carbon footprint via the AEO Water and Carbon Leadership Program. Furthermore, we have used this information to develop our roadmap to achieving our scope 3 reductions goals. Measures of success about the impact of engagement include: 1) Higg FEM self-assessment adoption rate by our Tier 1 and Tier 2 suppliers; 2) Third party verification rate of Higg FEM; 3) Percentage of data exclusion for GHG calculation; 4) Improvements on environmental performance reflected by the FEM results; and 5) Percentage of suppliers we are following up closely via AEO Water and Carbon Leadership Program using FEM as part of the requirements.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :FEM requirement

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☒ Other capacity building activity, please specify

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 26-50%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ 26-50%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In 2024, AEO had 24 suppliers in Vietnam join the GIZ TFL (To the Finish Line) program. The Program supports Vietnamese garment and textile suppliers in improving environmental performance and reducing carbon emissions. Through large-scale online training based on the Higg Facility Environmental Module (FEM), the program promotes peer learning, best practice sharing, and actionable insights. It empowers factories to adopt energy-efficient practices, enhance sustainability reporting, and align with global climate goals while boosting competitiveness in international supply chains. The GIZ CAT++ (Climate Action Training for Fashion Industry (version 2) program, launched in 2024, equips Vietnamese garment and textile suppliers with practical knowledge to reduce carbon emissions. Through a six-week online training, 44 AEO suppliers participated in sessions covering GHG accounting, renewable energy, and energy efficiency. Developed by GIZ and WWF, CAT++ supports Vietnam's net-zero goals and strengthens supplier capacity to meet global climate standards through accurate data reporting and actionable decarbonization strategies. In 2024, five AEO factories in Bangladesh join the Cascale x GIZ PDP initiative to conduct onsite solar feasibility studies. The program supports decarbonization by helping manufacturers assess rooftop solar potential, navigate technical and regulatory pathways, and make informed investment decisions aligned with global sustainability standards. In 2024, AEO organized regional online training sessions for suppliers in Vietnam, China, and Bangladesh

focused on advancing renewable energy adoption. The sessions covered key topics such as the use of Energy Attribute Certificates (EACs), Power Purchase Agreements (PPAs), and recent regulatory updates related to onsite solar installations.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☒ Yes, please specify the environmental requirement :Start adopting renewable energy from year 2025 and setting 2030 carbon reduction target and related action plans

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☒ Share information about your products and relevant certification schemes

☒ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

When shopping on AE.com all customers can easily learn more about our Real Good program on product pages for REAL GOOD items. Our Real Good program, which encompasses products made from a majority of sustainable materials or produced in factories that meet expectations for our Water and Carbon Leadership Program. We aim for all customers to be aware of and engage with the Real Good program so they can understand how these products are helping AEO reach its climate, raw materials, and water goals.

(5.11.9.6) Effect of engagement and measures of success

We measure the success of our information sharing engagement through recognition of the Real Good program and other company wide sustainability programs by our shoppers. In a recent survey in fall 2024, approximately 60% were aware of AEO sustainability efforts, and recalled specific programs such as clothing made with recycled materials, our Water Leadership program, and the options for reusable bags and clothing recycling in stores.

Water

(5.11.9.1) Type of stakeholder

Select from:

☒ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☒ Share information about your products and relevant certification schemes

☒ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

When shopping on AE.com all customers can easily learn more about our Real Good program on product pages for REAL GOOD items. Our Real Good program, which encompasses products made from a majority of sustainable materials or produced in factories that meet expectations for our Water and Carbon Leadership Program. We aim for all customers to be aware of and engage with the Real Good program so they can understand how these products are helping AEO reach its climate, raw materials, and water goals.

(5.11.9.6) Effect of engagement and measures of success

We measure the success of our information sharing engagement through recognition of the Real Good program and other company wide sustainability programs by our shoppers. In a recent survey in fall 2024, approximately 60% were aware of AEO sustainability efforts, and recalled specific programs such as clothing made with recycled materials, our Water Leadership program, and the options for reusable bags and clothing recycling in stores.

[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

	Environmental initiatives implemented due to CDP Supply Chain member engagement	Primary reason for not implementing environmental initiatives	Explain why your organization has not implemented any environmental initiatives
	Select from: ☒ No, but we plan to within the next two years	Select from: ☒ Not an immediate strategic priority	We do not have requests from CDP Supply Chain members.

[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

AEO defines its organizational boundary using the Operational Control Approach for its Scope 1 and 2 Inventory. All facilities over which AEO has operational control (i.e., has ‘the full authority to introduce and implement its operating policies at the operation’) are included in the inventory and environmental data reporting discussed in this document. This includes all owned and leased facilities and vehicles operated by American Eagle Outfitters and Quiet Logistics. Operational control for some retail stores is currently unknown. To be conservative, all stores are included in the inventory and estimates are used for stores without known usage data.

Water

(6.1.1) Consolidation approach used

Select from:

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

AEO uses the same consolidation approach for reporting water-related data due to alignment with SBTN guidance.

Plastics

(6.1.1) Consolidation approach used

Select from:

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

AEO plans to use the same consolidation approach for reporting plastics-related data due to alignment with SBTN guidance.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

AEO plans to use the same consolidation approach for reporting biodiversity-related data due to alignment with SBTN guidance.

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☒ No

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

(7.1.1.1) Has there been a structural change?

Select all that apply

☒ Yes, an acquisition

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

Acquisition of Quiet Logistics, a logistics provider.

(7.1.1.3) Details of structural change(s), including completion dates

The acquisition of Quiet Logistics was completed on 12/29/21, at the end of the fiscal year, so we incorporated this organization into our footprint starting in fiscal year 2022.

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☒ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

For the reporting year, it was discovered that third party purchases had not been previously included in Scope 3 Category 1 Purchase Goods and Services calculations. The boundary was updated to include third party purchases and the previous year and base year inventories were updated accordingly.

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☒ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☒ Scope 1

☒ Scope 2, location-based

☒ Scope 2, market-based

☒ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Prior inventories back to the base year will be adjusted if the resulting adjustment, from any individual change or collectively from multiple changes, is more than 1% of Scope 1 and 2 base year emissions. For scope 3 restating, the threshold is 1% per scope 3 category. Adjustments less than this threshold are considered insignificant and will not warrant rebaselining.

(7.1.3.4) Past years' recalculation

Select from:

☒ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☒ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☒ The Greenhouse Gas Protocol: Scope 2 Guidance

☒ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

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

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☒ We are reporting a Scope 2, location-based figure	Select from: ☒ We are reporting a Scope 2, market-based figure	AEO reports both location and market based emissions.

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☒ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO₂e)

14199

(7.5.3) Methodological details

AEO collects natural gas consumption data through Resource Advisor. For sites without actual data reported, natural gas consumption is estimated by facility type using an average natural gas intensity (MMBtu/SqFT) for each type of facility based on available AEO data. The natural gas estimation factors developed in FY18 were used for three years (FY18 – FY20) and the estimation factors developed in the FY21 inventory will be used for three years (FY21 – FY23). Every three years the natural gas estimation factors will be recalculated and used for the current inventory and the following two years to allow for systemic changes made to natural gas management to be reflected in the estimates. The natural gas factor from the latest US EPA Emission Factor Hub is applied to natural gas consumption at the facility level to calculate emissions. If the US EPA Emission Factor Hub changes, it will reflect a methodology change and prior year inventories should be updated if the rebaselining threshold is met. Other stationary and mobile fuel consumption, and distance traveled for mobile combustion, is collected by site from site managers for offices and distribution centers. Fleet vehicle fuel consumption and distance travelled is collected through BBL Fleet, AEO's fleet manager. If only distance travelled or fuel consumption is provided for mobile combustion, other metrics are estimated using AEO averages or industry averages if AEO-specific data is not available. The corresponding fuel type factor from the latest US EPA Emission Factor Hub is applied to fuel consumption to calculate emissions. If the US EPA Emission Factor Hub changes, it will reflect a methodology change and prior year inventories should be updated if the rebaselining threshold is met. Data for refrigerants and fugitive emissions are not collected by AEO currently. AEO does not have any known sources of fugitive emissions as of the FY23 inventory. Emissions from refrigerants are estimated using industry standards. The global warming potential (GWP) from the IPCC Fifth Assessment Report (AR5) for the assumed refrigerant is applied to refrigerant leakage to calculate emissions.

Scope 2 (location-based)

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO₂e)

(7.5.3) Methodological details

AEO collects electricity and chilled water consumption data through Resource Advisor. For sites without actual data reported, electricity consumption is estimated by facility type using an average electricity intensity (MWh/SqFT) for each type of facility based on available AEO data. Collected chilled water data is assumed to cover all chilled water consumption and no estimates are made to supplement actual data. The electricity estimation factors developed in FY18 will be used for three years (FY18 – FY20) and the estimation factors developed in the FY21 inventory will be used for three years (FY21 – FY23). For additional detail on estimation methodology for electricity, see *Utility Estimations in Appendix*. Every three years the electricity estimation factors will be recalculated and used for the current inventory and the following two years to allow for systemic changes made to electricity management to be reflected in the estimates. In 2016, the GHG Protocol released an updated *Scope 2 Guidance* that outlines two methods for calculating Scope 2 emissions, a location-based method and a market-based method. The location-based method considers average emission factors for the electricity grids that provide electricity to a reporting organization. AEO's location-based inventory is calculated using US EPA eGRID emission factors, international factors from individual countries where available, and International Energy Agency (IEA) factors. The market-based method considers contractual arrangements under which the reporting organization procures power from specific suppliers or sources, such as renewable energy. For each facility, the most precise emission factor available will be used. The following table provides a hierarchy for market-based emissions factors, in order from most precise to least.

Scope 2 (market-based)

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO₂e)

73367

(7.5.3) Methodological details

AEO collects electricity and chilled water consumption data through Resource Advisor. For sites without actual data reported, electricity consumption is estimated by facility type using an average electricity intensity (MWh/SqFT) for each type of facility based on available AEO data. Collected chilled water data is assumed to cover all chilled water consumption and no estimates are made to supplement actual data. The electricity estimation factors developed in FY18 will be used for three years (FY18 – FY20) and the estimation factors developed in the FY21 inventory will be used for three years (FY21 – FY23). For additional detail on estimation methodology for electricity, see *Utility Estimations in Appendix*. Every three years the electricity estimation factors will be recalculated and used for the current inventory and the following two years to allow for systemic changes made to electricity management to be reflected in the estimates. In 2016, the GHG Protocol released an updated *Scope 2 Guidance* that outlines two methods for calculating Scope 2 emissions, a location-based method and a market-based method. The location-based method considers average emission factors for the electricity grids that provide electricity to a reporting organization. AEO's location-based inventory is calculated using US EPA eGRID emission factors, international factors from individual countries where available, and International Energy Agency (IEA) factors.

The market-based method considers contractual arrangements under which the reporting organization procures power from specific suppliers or sources, such as renewable energy. For each facility, the most precise emission factor available will be used. The following table provides a hierarchy for market-based emissions factors, in order from most precise to least.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

1279664

(7.5.3) Methodological details

Cradle-to-gate emissions from AEO purchased goods and services are calculated using four methods: 1. For purchased goods and services related to AEO apparel fabrics, the weight (kg) of material purchased by fiber type (e.g., cotton, polyester) is obtained from AEO. Cradle to gate emissions factors per weight are taken from the Higg Material Sustainability Index (MSI) and multiplied by the weight of material purchased. 2. For purchased goods and services related to AEO product assembly, factory data was collected from Higg FEM and allocated to AEO. 3. For purchased goods and services related to AEO footwear products, the number of units produced is obtained from AEO. Cradle to gate emissions factors (materials processing and manufacturing) are taken from MIT's 2013 footwear LCA and multiplied by the number of footwear units produced. 4. For all other purchased goods and services, annual spend associated with these products is obtained from AEO. The spend for these products is multiplied by relevant sector-specific cradle-to-gate emission factors. Emissions factors are sourced from the US Environmentally-Extended Input-Output (EEIO) cradle-to-gate emission factors were used instead of DEFRA, as the US EEIO factors are more recent and US-based. These factors are the baseline emission factors for scope 3, categories 1 and 2. The FY23 inventory uses the most recent update of the USEEIO databased from January 2022. This dataset is based on 2016 data and put into 2018 USD dollars. Updated with 3PP upstream estimations (estimate based on FY19 PO data due to data quality concerns with FY18 data). Updated to map Steel to Average Metallic factor to account for raw material input error in Steel Higg MSI.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

31557

(7.5.3) Methodological details

Cradle-to-gate emissions from AEO purchased capital goods are calculated by aggregating spend into standard product categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are sourced from the US Environmentally-Extended Input-Output (EEIO) cradle-to-gate emission factors were used instead of DEFRA, as the US EEIO factors are more recent and US-based. These factors are the baseline emission factors for scope 3, categories 1 and 2. The FY23 inventory uses the most recent update of the USEEIO databased from January 2022. This dataset is based on 2016 data and put in to 2018 USD dollars.

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

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

13851

(7.5.3) Methodological details

Upstream emissions are calculated for purchased fuel use, electricity, and chilled water. AEO uses total consumption of these energy sources to calculate emissions from this category. Upstream emissions, including extraction, production, and transportation of fuels, and transmission and distribution (T&D) losses are included in this category. Emission factors sourced from Argonne Labs GREET model, Ecoinvent data, and Defra are applied to AEO's total Scope 1 and Scope 2 energy and fuel use to calculate upstream emissions. For both electricity and fuels, emissions are calculated by multiplying either the electricity purchased per eGRID region by the upstream emission energy loss emission factors or by multiplying the fuel consumption per fuel type by the upstream energy loss emission factors. Emission factors from eGRID are used for US locations and emission factors from Defra are used for non-US locations. T&D loss factors are applied to AEO's Scope 1 and Scope 2 energy and fuel use to calculate emissions from T&D losses. T&D losses are calculated by multiplying a T&D loss factor by the electricity purchased per US eGRID region or Defra region for non-US locations. The US T&D Loss Factors for electricity are based on the most up to date eGRID subregion emission factors. Updated FERA International Methodology to align with IEA factors. Updated energy use values to align with FY18 Scope 1 & 2 re baselining.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

(7.5.3) Methodological details

Upstream transportation and distribution encompass 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. Ton miles for each mode of transportation are calculated using shipment weight and shipment distance. 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 transloaders. These distances are then weighted by weight of product shipped to calculate an estimate for average distance per shipment. The calculated average distance per shipment is assumed to be representative for all shipment modes. 2. Transloader to distribution center - for this leg of transportation and distribution, origin-destination, transportation mode, number of shipments, average weight of shipments, and distance of shipments are provided. This data is then used to calculate total ton miles. Transportation and distribution emissions are calculated using Global Logistics Emissions Council (GLEC) well-to-wheel emission factors. Updated emission factors to most recent version of GLEC.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO₂e)

50800

(7.5.3) Methodological details

Waste generated in operations emissions are those 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 data is estimated using assumptions for waste generation per square foot based on average factors by facility type obtained from CalRecycle. Emissions from waste are calculated using 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.

Scope 3 category 6: Business travel

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

4802

(7.5.3) Methodological details

Business travel includes business air, rail, rental car travel, and hotel stays by AEO employees. All travel activity is 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. Emission factors were sourced from the DEFRA 2022 GHG Conversion Factors for Company Reporting. GWPs are IPCC Fifth Assessment Report (AR5 - 100 year). Note: Emissions from lease/charter jets are no longer included in Scope 3 Business Travel emissions. Lease/charter jet emissions are now included in Scope 1 emissions based on the assumption that AEO has control over the lease/charter.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

29206

(7.5.3) Methodological details

A list of employee headcount by office and number of retail locations, and average number of employees per retail location are collected and used to calculate employee commuting impacts based on publicly available commuting data. Average commuting distance and percentage of employees per transportation mode were pulled from various transportation/commuting data sources. The number of commuting days per year was assumed to be 245 days for office works (365 days excluding weekends, minus holidays (10), sick days (5), vacation (15)). The number of commuting days per retail working was assumed to be 352 days. Headcount data was provided per country and multiplied by the % per commuting mode and commuting distance to calculate the miles traveled commuting mode. Emissions were calculated by multiplying the miles traveled per transportation mode by the emission factor for the mode of transportation. Emission factors were sourced from the DEFRA 2022 GHG Conversion Factors for Company Reporting. Employee commuting also includes work from home emissions. Work from home emissions were estimated based on average size of a home office based on country; average fuel usage for heating and cooling the home office; an estimated number of monitors, laptops and lightbulbs used by remote work employees; electricity emission factors by country; average number of employees working remotely by location; and an average number of hours employees worked per year. Data for these assumptions come from a 2015 US Energy Information Administration (EIA) Residential Energy Consumption Survey; a US Department of Energy Appliance Energy Calculator tool; US EPA 2022 eGRID electricity emission factors which utilize GWPs of the IPCC

Fifth Assessment Report; company-gathered employee attendance and office capacity data. No. of contingent workers was not available for FY21 and therefore was excluded from the calculations. This data was tracked in FY23 but to maintain consistency across years, contingent workers have not been included in FY23 calculations. Removed WFH from commuter mode percentage breakdown for Retail employees - assuming no Retail employees WFH.

Scope 3 category 8: Upstream leased assets

(7.5.3) Methodological details

AEO does not have any upstream leased assets not included in the Scope 1 and 2 inventory. This category is not relevant.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

3593

(7.5.3) Methodological details

Downstream transportation and distribution encompass 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, carrier, number of packages, average distance and average weight are provided. Carrier is used to determine shipping mode (air or ground). Number of packages, average distance and average weight are used to calculate ton miles. 2. Direct to retail - for this leg of transportation and distribution, number of cartons, average weight and average distance are provided. Shipping mode for direct to retail transportation is assumed to be all truck. Number of cartons, average distance and average weight are used to calculate ton miles. Transportation and distribution emissions are calculated using Global Logistics Emissions Council (GLEC) well-to-wheel emission factors. Updated emission factors to most recent version of GLEC. Split air transportation by haul distance to assign more granular emission factor.

Scope 3 category 10: Processing of sold products

(7.5.3) Methodological details

There is no processing of AEO sold products. This category is not relevant.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

2011857

(7.5.3) Methodological details

Emissions from use of sold products include indirect emissions associated with washing, drying, and ironing of clothes during the customer use phase. The amount of knit, denim, footwear and other manufactured goods products produced by weight (kg) is obtained from AEO's product and sales team. For knit and denim products, use phase emissions factors per weight are taken from the previously conducted Life Cycle Assessment (LCA) and multiplied by the weight of units produced. Use phase emissions are assumed to be de minimis for footwear and other manufactured goods. Updated to include 3PP total (estimate based on FY19 PO data due to data quality concerns with FY18 data). Updated emission factor mapping to align with assumptions of use.

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

(7.5.1) Base year end

01/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

35414

(7.5.3) Methodological details

Emissions from end-of-life (EOL) treatment of sold products include emissions associated with the disposal of products at the end of their use. The amount of knit, denim, footwear and other manufactured goods products produced by weight (kg) is obtained from AEO's product and sales team. For knit and denim products, emissions from product disposal are calculated using emission factors from previously conducted LCA and multiplied by the weight of units produced. For footwear and other manufactured goods, EOL emissions are calculated using EPA WARM emission factors for the disposal of mixed plastics and multiplied by the weight of units produced. Updated to include 3PP total (estimate based on FY19 PO data due to data quality concerns with FY18 data). Updated emission factor mapping to align with assumptions of use.

Scope 3 category 13: Downstream leased assets

(7.5.3) Methodological details

AEO does not have any downstream leased assets not included in the Scope 1 and 2 inventory. This category is not relevant.

Scope 3 category 14: Franchises

(7.5.1) Base year end

01/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

13638

(7.5.3) Methodological details

Franchise emissions include emissions from purchased electricity and natural gas in AEO's franchise stores globally. 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 the estimated square footage of franchise stores by the average electric and natural gas intensities of owned and operated stores and outlets used in the Scope 1 and 2 inventory. Emissions are calculated by multiplying electricity and natural gas consumption by grid average emissions factors from the EPA and the International Energy Agency. GWPs are IPCC Fifth Assessment Report (AR5 - 100 year). Updated energy intensity with FY18 Scope 1 & 2 rebaselined Utility Estimates. Updated Concession Intensity to align with FY24 methodology.

Scope 3 category 15: Investments

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

AEO does not have any investments where AEO ownership exceeds 1% of that company's value. This category is not relevant.

Scope 3: Other (upstream)

(7.5.3) Methodological details

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

Scope 3: Other (downstream)

(7.5.3) Methodological details

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

[Fixed row]

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

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO₂e)

9302

(7.6.3) Methodological details

AEO collects natural gas consumption data through Resource Advisor. For sites without actual data reported, natural gas consumption is estimated by facility type using an average natural gas intensity (MMBtu/SqFT) for each type of facility based on available AEO data. If a facility has electricity consumption reported through Resource Advisor, but not natural gas consumption, the facility is assumed to not have natural gas consumption. Every three years the natural gas estimation factors will be recalculated and used for the current inventory and the following two years to allow for systemic changes made to natural gas management to be reflected in the estimates. For example, the natural gas estimation factors developed in FY18 were used for the following three years (FY18 – FY20) and the estimation factors developed in the FY21 inventory were used for the following three years (FY21 – FY23). For additional detail on estimation methodology for natural gas, see Utility Estimations in the Appendix. The natural gas factor from the latest US EPA Emission Factor Hub is applied to natural gas consumption at the facility level to calculate emissions. If the US EPA Emission Factor Hub changes, it will reflect a methodology change and prior year inventories should be updated if the rebaselining threshold is met. Other stationary and mobile fuel consumption, and distance travelled for mobile combustion, is collected by site from site managers for offices and distribution centers. Fleet vehicle fuel consumption and distance travelled is collected through BBL Fleet, AEO's fleet manager. If only distance travelled or fuel consumption is provided for mobile combustion, other metrics are estimated using AEO averages or industry averages if AEO-specific data is not available. The corresponding fuel type factor from the latest US EPA Emission Factor Hub is applied to fuel consumption to calculate emissions. If the US EPA Emission Factor Hub changes, it will reflect a methodology change and prior year inventories should be updated if the rebaselining threshold is met. Data for refrigerants and fugitive emissions are not collected by AEO at this time. AEO does not have any known sources of fugitive emissions as of the FY23 inventory. Emissions from refrigerants

are estimated using industry standards. The global warming potential (GWP) from the IPCC Fifth Assessment Report (AR5) for the assumed refrigerant is applied to refrigerant leakage to calculate emissions.

[Fixed row]

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

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

51677

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

38908

(7.7.4) Methodological details

AEO collects electricity and chilled water consumption data through Resource Advisor. For sites without actual data reported, electricity consumption is estimated by facility type using an average electricity intensity (MWh/SqFT) for each type of facility based on available AEO data. Collected chilled water data is assumed to cover all chilled water consumption and no estimates are made to supplement actual data. Every three years the electricity estimation factors will be recalculated and used for the current inventory and the following two years to allow for systemic changes made to electricity management to be reflected in the estimates. For example, the electricity estimation factors developed in FY18 will be used for the following three years (FY18 – FY20) and the estimation factors developed in the FY21 inventory were used for the following three years (FY21 – FY23). For additional detail on estimation methodology for electricity, see Utility Estimations in Appendix. In 2016, the GHG Protocol released an updated Scope 2 Guidance that outlines two methods for calculating Scope 2 emissions, a location-based method and a market-based method. The location-based method considers average emission factors for the electricity grids that provide electricity to a reporting organization. AEO's location-based inventory is calculated using EPA eGRID emission factors for all facilities in the United States, and International Energy Agency (IEA) emission factors for most facilities outside the United States. For some international facilities (Canada, India Singapore) country specific emission factors are used. These emission factors are updated each year as needed to the version that is most applicable for the relevant reporting year. The market-based method considers contractual arrangements under which the reporting organization procures power from specific suppliers or sources, such as renewable energy. For each facility, the most precise emission factor available will be used. The following table provides a hierarchy for market-based emissions factors, in order from most precise to least.

[Fixed row]

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

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1368511

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Hybrid method

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

95

(7.8.5) Please explain

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 latest version of 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 is collected from Higg FEM and allocated to AEO. 3. For purchased goods and services related to AEO footwear products, the number of units produced is obtained from AEO. Cradle-to gate-emissions factors (materials processing and manufacturing) are taken from MIT's 2013 footwear LCA and multiplied by the number of footwear units produced. 4. For purchased goods and services related to AEO packaging purchases, weight of various plastic and paper packaging types is collected from AEO. Cradle-to-gate emission factors are sourced from Ecoinvent v.3.10. 5. For all other purchased goods and services, annual spend associated with these products is obtained from AEO. The spend for these products is multiplied by relevant sector-specific cradle-to-gate emission factors. Emissions factors are sourced from the US Environmentally-Extended Input-Output (EEIO), adjusted for inflation to the reporting year. In FY24, spend data from AEO's Quiet business segment is not available. Thus, Quiet data is estimated from FY23 Quiet spend data, adjusted by the year-over-year change in AEO's total corporate spend.

Capital goods

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

29536

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Spend-based method

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

100

(7.8.5) Please explain

Emissions from AEO purchased capital goods are calculated by aggregating spend into standard product categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are sourced from the US Environmentally-Extended Input-Output (EEIO), adjusted for inflation to the reporting year.

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

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

11742

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

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

100

(7.8.5) Please explain

Emissions from fuel-and-energy-related activities (FERA) are calculated using 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 the most recent International Energy Agency factors 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 the most recent International Energy Agency factors for other countries. GWPs are IPCC Fifth Assessment Report (AR5 - 100 year).

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

168050

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Distance-based method

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

(7.8.5) Please explain

Emissions from inbound transportation of goods purchased by AEO are calculated using data on shipments of purchased goods and sold products by origin-destination, mode of transport, and mass of goods. 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 transloaders. These distances are then weighted by weight of product shipped to calculate an estimate for average distance per shipment. It is assumed that this distance is representative for all shipment modes. 2. Transloader to distribution center - for this leg of transportation and distribution, origin-destination, transportation mode, number of shipments, average weight of shipments, and distance of shipments are provided. This data is then used to calculate total ton miles. Emissions are calculated using the corresponding GLEC emission factor for each transport mode.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

39165

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Waste-type-specific method

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

3.4

(7.8.5) Please explain

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

Business travel

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2451

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Distance-based method

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

100

(7.8.5) Please explain

Emissions from business travel include those resulting from 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 U.K. Defra Guidelines. GWPs are IPCC Fifth Assessment Report (AR5 - 100 year). Note: emissions from lease/charter jets is no longer included in Scope 3 Business Travel emissions. It has been reallocated to Scope 1 emissions based on the assumption that AEO has control over the lease/charter.

Employee commuting

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

26861

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

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

0

(7.8.5) Please explain

Emissions in this category result from two sources: Employee commuting and emissions from employees working from home. The Work from Home emissions total represents emissions from estimated 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 workers' assigned office. 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 most recent version of the EPA's Emission Factor Hub are applied to the distance estimates to calculate emissions.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

AEO does not have any upstream leased assets.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7456

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Distance-based method

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

100

(7.8.5) Please explain

Emissions from downstream transportation and distribution include emissions from outbound transportation of products sold by AEO. Activity data for this category are obtained from AEO's transportation logistics teams and cover transportation direct to consumer/retail. For these legs of transportation and distribution, carrier, number of packages, average distance and average weight are provided. Carrier is used to determine shipping mode (air or ground). Number of packages, average distance and average weight are used to calculate ton miles. Emissions are calculated using the corresponding GLEC emission factor for each transport mode.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

There is no processing of AEO sold products.

Use of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2381236

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average product method

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

0

(7.8.5) Please explain

Emissions from use of sold products include 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 and electronics sold are not included.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

41882

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average product method

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

0

(7.8.5) Please explain

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

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

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

Franchises

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

41259

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

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

0

(7.8.5) Please explain

Emissions from purchased electricity and natural gas in AEO's franchise stores worldwide are calculated using the number of franchise stores by country, average retail square footage, and energy use intensities. 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 Fifth Assessment Report (AR5 - 100 year).

Investments

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

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

Other (upstream)

(7.8.1) Evaluation status

Select from:
☒ Not relevant, explanation provided

(7.8.5) Please explain

AEO does not have any other relevant emissions categories.

Other (downstream)

(7.8.1) Evaluation status

Select from:
☒ Not relevant, explanation provided

(7.8.5) Please explain

AEO does not have any other relevant emissions categories.
[Fixed row]

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

	Verification/assurance status
Scope 1	Select from: ☒ Third-party verification or assurance process in place

	Verification/assurance status
Scope 2 (location-based or market-based)	<i>Select from:</i> ☒ Third-party verification or assurance process in place
Scope 3	<i>Select from:</i> ☒ Third-party verification or assurance process in place

[Fixed row]

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

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☒ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.1.4) Attach the statement

(7.9.1.5) Page/section reference

Entire document

(7.9.1.6) Relevant standard

Select from:

☒ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

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

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

AEO 2024 Verification Statement_final_r1 (1).pdf

(7.9.2.6) Page/ section reference

Entire document

(7.9.2.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.2.5) Attach the statement

AEO 2024 Verification Statement_final_r1 (1).pdf

(7.9.2.6) Page/ section reference

Entire document

(7.9.2.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☒ Scope 3: Use of sold products

(7.9.3.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☒ Limited assurance

(7.9.3.5) Attach the statement

AEO 2024 Verification Statement_final_r1 (1).pdf

(7.9.3.6) Page/section reference

Entire document

(7.9.3.7) Relevant standard

Select from:

☒ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

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

Select from:

☒ Decreased

(7.10.1) 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 renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

843

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

1

(7.10.1.4) Please explain calculation

The percent of AEO's portfolio covered by renewable electricity increased from 2023 to 2024 resulting in a slight decrease in emissions.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No other emission reduction activities were implemented during the reporting year [0 / 72883 = 0%]

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

4393

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

7

(7.10.1.4) Please explain calculation

*Corporate Jet activities related emissions reduced by 46% in 2024 as well as emissions from fleet vehicles reduced by 9%.
[Fixed row]*

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☒ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☒ Yes

(7.12.1) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
	15607	Several of AEO's Tier 1 manufacturing facilities consume biomass.

[Fixed row]

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☒ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

☒ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

7974

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☒ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

4

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☒ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

12

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fifth Assessment Report (AR5 – 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

☒ HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

1312

(7.15.1.3) GWP Reference

Select from:

☒ IPCC Fifth Assessment Report (AR5 – 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	490	1110	1110
China	4	80	80
Hong Kong SAR, China	48	816	816
Mexico	109	1263	1263
Puerto Rico	5	124	0
United States of America	8639	48165	35521

[Fixed row]

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

Select all that apply

☒ By business division

☒ By facility

☒ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	AEO	7638
Row 2	Quiet	1664

[Add row]

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

Stores

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

2164

(7.17.2.3) Latitude

0

(7.17.2.4) Longitude

0

Row 2

(7.17.2.1) Facility

Warehouses

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

3214

(7.17.2.3) Latitude

0

(7.17.2.4) Longitude

0

Row 3

(7.17.2.1) Facility

Outlets

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

736

(7.17.2.3) Latitude

0

(7.17.2.4) Longitude

0

Row 4

(7.17.2.1) Facility

Offices

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

3174

(7.17.2.3) Latitude

0

(7.17.2.4) Longitude

0

Row 5

(7.17.2.1) Facility

Data Center

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

14

(7.17.2.3) Latitude

0

(7.17.2.4) Longitude

0

[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	Stationary Combustion	6513
Row 2	Mobile Combustion	1477

	Activity	Scope 1 emissions (metric tons CO2e)
Row 3	Refrigerants	1312

[Add row]

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

Select all that apply

☒ By business division

☒ By facility

☒ By activity

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	AEO	49826	37810
Row 2	Quiet	1851	1098

[Add row]

(7.20.2) 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)
Row 1	<i>Stores</i>	<i>27120</i>	<i>23254</i>
Row 2	<i>Warehouses</i>	<i>8873</i>	<i>8087</i>
Row 3	<i>Outlets</i>	<i>7293</i>	<i>6385</i>
Row 4	<i>Offices</i>	<i>7233</i>	<i>1182</i>
Row 5	<i>Data Center</i>	<i>1157</i>	<i>0</i>

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	<i>Electricity</i>	<i>51648</i>	<i>38879</i>
Row 2	<i>Chilled Water</i>	<i>29</i>	<i>29</i>

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

9302

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

51677

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

38908

(7.22.4) Please explain

Reporting covers all entities including in AEOs annual financial statements.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Our response does not include any other entities.

[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☒ Not relevant as we do not have any subsidiaries

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

Row 1

(7.27.1) Allocation challenges

Select from:

☒ We face no challenges

(7.27.2) Please explain what would help you overcome these challenges

We do not have customers asking for this data.

[Add row]

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

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

Select from:

☒ No

(7.28.3) Primary reason for no plans to develop your capabilities to allocate emissions to your customers

Select from:

☒ Judged to be unimportant or not relevant

(7.28.4) Explain why you do not plan to develop capabilities to allocate emissions to your customers

We do not have customers asking for this data.

[Fixed row]

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

Select from:

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

(7.30) 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)	Select from: ☒ Yes
Consumption of purchased or acquired electricity	Select from: ☒ Yes
Consumption of purchased or acquired heat	Select from: ☒ No
Consumption of purchased or acquired steam	Select from: ☒ No
Consumption of purchased or acquired cooling	Select from: ☒ Yes
Generation of electricity, heat, steam, or cooling	Select from: ☒ No

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☒ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

41684

(7.30.1.4) Total (renewable + non-renewable) MWh

41684.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

37953

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable + non-renewable) MWh

37953.00

Consumption of purchased or acquired cooling

(7.30.1.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

81

(7.30.1.4) Total (renewable + non-renewable) MWh

81.00

Total energy consumption

(7.30.1.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

37953

(7.30.1.3) MWh from non-renewable sources

41766

(7.30.1.4) Total (renewable + non-renewable) MWh

79719.00

[Fixed row]

(7.30.6) 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	Select from: ☒ No
Consumption of fuel for the generation of heat	Select from: ☒ Yes
Consumption of fuel for the generation of steam	Select from: ☒ No
Consumption of fuel for the generation of cooling	Select from: ☒ No
Consumption of fuel for co-generation or tri-generation	Select from: ☒ No

[Fixed row]

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

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

N/A

Other biomass

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

N/A

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

N/A

Coal

(7.30.7.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

N/A

Oil

(7.30.7.1) Heating value

Select from:

☒ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

635

(7.30.7.8) Comment

N/A

Gas

(7.30.7.1) Heating value

Select from:

☒ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

34983

(7.30.7.8) Comment

N/A

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

(7.30.7.1) Heating value

Select from:

☒ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

6066

(7.30.7.8) Comment

N/A

Total fuel

(7.30.7.1) Heating value

Select from:

☒ HHV

(7.30.7.2) Total fuel MWh consumed by the organization

49

(7.30.7.8) Comment

N/A

[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

11168

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☒ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

82

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

11250.00

(7.30.16.7) Provide details of the electricity consumption excluded

none excluded

China

(7.30.16.1) Consumption of purchased electricity (MWh)

123

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☒ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

123.00

(7.30.16.7) Provide details of the electricity consumption excluded

none excluded

Hong Kong SAR, China

(7.30.16.1) Consumption of purchased electricity (MWh)

1265

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☒ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1265.00

(7.30.16.7) Provide details of the electricity consumption excluded

none excluded

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

3430

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☒ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

3430.00

(7.30.16.7) Provide details of the electricity consumption excluded

none excluded

Puerto Rico

(7.30.16.1) Consumption of purchased electricity (MWh)

789

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☒ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

789.00

(7.30.16.7) Provide details of the electricity consumption excluded

none excluded

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

141068

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.3) Is some or all of this electricity consumption excluded from your RE100 commitment?

Select from:

☒ No

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

141068.00

(7.30.16.7) Provide details of the electricity consumption excluded

none excluded

[Fixed row]

(7.30.17) Provide details of your organization's renewable electricity purchases in the reporting year by country/area.

Row 1

(7.30.17.1) Country/area of consumption of purchased renewable electricity

Select from:

☒ United States of America

(7.30.17.2) Sourcing method

Select from:

☒ Unbundled procurement of Energy Attribute Certificates (EACs)

(7.30.17.3) Renewable electricity technology type

Select from:

☒ Wind

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

37953

(7.30.17.5) Tracking instrument used

Select from:

☒ US-REC

(7.30.17.6) Country/area of origin (generation) of purchased renewable electricity

Select from:

☒ United States of America

(7.30.17.7) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☒ No

(7.30.17.10) Supply arrangement start year

2018

(7.30.17.11) Ecolabel associated with purchased renewable electricity

Select from:

☒ Green-e Certified(R) Renewable Energy

(7.30.17.12) Comment

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

[Add row]

(7.30.18) Provide details of your organization’s low-carbon heat, steam, and cooling purchases in the reporting year by country/area.

	Sourcing method	Comment
Row 1	Select from: ☒ None (no purchases of low-carbon heat, steam, or cooling)	AEO does not purchase any low-carbon heat, steam or cooling.

[Add row]

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

AEO has not contributed to adding new renewable energy to the grid in 2024 but is evaluating plans to do so as part of meeting our RE100 goal in the future.

(7.30.21) In the reporting year, has your organization faced barriers or challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity
	Select from: ☒ No

[Fixed row]

(7.45) 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.

Row 1

(7.45.1) Intensity figure

0.000009

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

48210

(7.45.3) Metric denominator

Select from:

☒ unit total revenue

(7.45.4) Metric denominator: Unit total

5261770000

(7.45.5) Scope 2 figure used

Select from:

☒ Market-based

(7.45.6) % change from previous year

8

(7.45.7) Direction of change

Select from:

☒ Decreased

(7.45.8) Reasons for change

Select all that apply

☒ Change in revenue

(7.45.9) Please explain

Revenue and renewable energy increased

[Add row]

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

Select all that apply

☒ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☒ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

AMER-USA-001-OFF_Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

06/23/2020

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO₂)

☒ Methane (CH₄)

☒ Nitrous oxide (N₂O)

☒ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 1

☒ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☒ Market-based

(7.53.1.11) End date of base year

01/31/2019

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

14199

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

73367

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

0.000

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

87566.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

01/31/2031

(7.53.1.55) Targeted reduction from base year (%)

80

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

17513.200

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

9302

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

38908

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

48210.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

56.18

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

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

(7.53.1.83) Target objective

We have deemed climate to be material to our organization and are thus following the science to address this by setting science-based targets. In addition many of the member organization we are members of require us to set targets.

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

We plan to accomplish our target through energy efficiency measures and by sourcing renewable energy for our owned and operated facilities. Energy efficiency measures in 2024 include using LED lighting in new and existing stores, and upgrading our Energy Management System (EMS) in stores to allow us to make sure lights and heating/cooling systems are turned off when no one is in the store. We have also sourced 24% of our electricity as renewable energy from our energy suppliers in a handful of states for our stores, offices and distribution centers in 2024. In 2024 we also began an RFP process to source a VPPA.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

Row 2

(7.53.1.1) Target reference number

Select from:

☒ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

AMER-USA-001-OFF_Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

06/23/2020

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO₂)

☒ Methane (CH₄)

☒ Nitrous oxide (N₂O)

☒ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☒ Scope 3, Category 1 – Purchased goods and services

☒ Scope 3, Category 2 – Capital goods

(7.53.1.11) End date of base year

01/31/2019

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1279664

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

31557

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

1311221.000

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

1311221.000

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100.0

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100.0

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

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

01/31/2031

(7.53.1.55) Targeted reduction from base year (%)

40

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

786732.600

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

1368511

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

29536

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

1398047.000

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

1398047.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

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

(7.53.1.83) Target objective

We have deemed climate to be material to our organization and are thus following the science to address this by setting science-based targets. In addition many of the member organization we are members of require us to set targets.

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

The growth in our purchased goods & services has mainly come from an increase in corporate spend. We are starting to see progress in emission reductions, and plan to see continued progress through two main drivers, 1) switching to more sustainable raw materials which have lower associated emission factors and 2) reducing emissions in our manufacturing partners through energy efficiency measures, phasing out coal, and a transition to renewable energy for those facilities. Even though overall emissions have increased, we have seen a 3% decrease in emission from raw material due to the increase in recycled polyester and nylon fabrics. Additionally, we have seen emission from product manufacturing (T1) decrease 1%. This progress has come from the AEO Carbon Leadership (CLP) Program, launched in 2021, for our strategic factories that represent approximately 80% of our procurement volume. The CLP program encourages suppliers to develop their own GHG inventory, commit to reduction targets and long-term climate-mitigation plans. This includes energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

Row 3

(7.53.1.1) Target reference number

Select from:

☒ Abs 5

(7.53.1.2) Is this a science-based target?

Select from:

☒ No, but we are reporting another target that is science-based

(7.53.1.5) Date target was set

06/23/2020

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

☒ Methane (CH4)

☒ Nitrous oxide (N2O)

☒ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☒ Market-based

(7.53.1.11) End date of base year

01/31/2019

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

73367

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

0.000

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

73367.000

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

01/31/2031

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

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

38908

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

38908.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

46.97

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

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

(7.53.1.83) Target objective

We have deemed climate to be material to our organization and are thus following the science to address this by setting science-based targets. In addition many of the member organization we are members of require us to set targets.

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

To date we have reached 24% renewable energy by sourcing from our energy suppliers in deregulated markets in the US including, Pennsylvania, Ohio, New York, Texas, Connecticut, Illinois, Massachusetts, Maryland and New Jersey. In 2022 we have also been further defining our plans to meet this target, including making the decision to pursue a Virtual Power Purchase (VPPA) agreement to cover the bulk on our remaining disparate load in the US & Canada. We engaged in an RFP for the virtual power purchase agreement (VPPA) project in 2024. We will most likely need to purchase some RECs at the end of the goal period to cover small load international countries and any remaining balance in the US & Canada.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

Row 4

(7.53.1.1) Target reference number

Select from:

☒ Abs 4

(7.53.1.2) Is this a science-based target?

Select from:

☒ No, but we are reporting another target that is science-based

(7.53.1.5) Date target was set

06/23/2020

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- ☒ Carbon dioxide (CO₂)
- ☒ Methane (CH₄)
- ☒ Nitrous oxide (N₂O)
- ☒ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

- ☒ Scope 1
- ☒ Scope 2
- ☒ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

- ☒ Market-based

(7.53.1.10) Scope 3 categories

Select all that apply

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

(7.53.1.11) End date of base year

01/31/2019

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

14199

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

73367

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1279664

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

31557

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

13851

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

162425

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

50800

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

4802

(7.53.1.20) Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

29206

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

3593

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

2011857

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

35414

(7.53.1.27) Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

13638

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

3636807.000

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

3724373.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100.0

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100.0

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100.0

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100.0

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100.0

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100.0

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100.0

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100.0

(7.53.1.41) Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100.0

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100.0

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100.0

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100.0

(7.53.1.48) Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

100.0

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

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

(7.53.1.55) Targeted reduction from base year (%)

30

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

2607061.100

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

9302

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

38909

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

1368511

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

29536

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

11742

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

168050

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

39165

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

2451

(7.53.1.65) Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

26861

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

7456

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

2381236

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

41882

(7.53.1.72) Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

41259

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

4118149.000

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

4166360.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

-39.56

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

AEO is a signatory the United Nations Framework Convention on Climate Change's (UNFCCC) Fashion Industry Charter for Climate Action, adopting their overarching goal of achieving a 50% reduction across all scopes by 2030 or setting an SBT, which we have done. The base year for categories 3, 7, and 12 is 2020 as this was the first year those categories were calculated. The base year for the rest of the categories is 2018.

(7.53.1.83) Target objective

We have deemed climate to be material to our organization and are thus following the science to address this by setting science-based targets. In addition many of the member organization we are members of require us to set targets.

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

To date we have reached 22.4% renewable energy by sourcing from our energy suppliers in deregulated markets in the US including, Pennsylvania, Ohio, New York, Texas, Connecticut, Illinois, Massachusetts, Maryland and New Jersey. In 2023 we have also been further defining our plans to meet this target, including making the decision to pursue a Virtual Power Purchase (VPPA) agreement to cover the bulk on our remaining disparate load in the US & Canada. We began working with

consultants at the end of 2023 to begin the VPPA RFP process. We will most likely need to purchase some RECs at the end of the goal period to cover small load international countries and any remaining balance in the US & Canada. The growth in our purchased goods & services has mainly come from an increase in corporate spend. We are starting to see progress in emission reductions, and plan to see continued progress through two main drivers, 1) switching to more sustainable raw materials which have lower associated emission factors and 2) reducing emissions in our manufacturing partners through energy efficiency measures, phasing out coal, and a transition to renewable energy for those facilities. Even though overall emissions have increased, we have seen a 3% decrease in emission from raw material due to the increase in recycled polyester and nylon fabrics. Additionally, we have seen emission from product manufacturing (T1) decrease 1%. This progress has come from the AEO Carbon Leadership (CLP) Program, launched in 2021, for our strategic factories that represent approximately 80% of our procurement volume. The CLP program encourages suppliers to develop their own GHG inventory, commit to reduction targets and long-term climate-mitigation plans. This includes energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

Row 5

(7.53.1.1) Target reference number

Select from:

☒ Abs 3

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

AMER-USA-001-OFF_Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

06/23/2020

(7.53.1.6) Target coverage

Select from:

☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☒ Carbon dioxide (CO2)

☒ Methane (CH4)

☒ Nitrous oxide (N2O)

☒ Hydrofluorocarbons (HFCs)

(7.53.1.8) Scopes

Select all that apply

☒ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☒ Scope 3, Category 1 – Purchased goods and services

☒ Scope 3, Category 2 – Capital goods

(7.53.1.11) End date of base year

01/31/2019

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

1279664

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

31557

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

1311221.000

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

1311221.000

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100.0

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100.0

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

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

01/31/2041

(7.53.1.55) Targeted reduction from base year (%)

60

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

524488.400

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

1368511

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

29536

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

1398047.000

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

1398047.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

-11.04

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

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

(7.53.1.83) Target objective

We have deemed climate to be material to our organization and are thus following the science to address this by setting science-based targets. In addition many of the member organization we are members of require us to set targets.

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

The growth in our purchased goods & services has mainly come from an increase in corporate spend. We are starting to see progress in emission reductions, and plan to see continued progress through two main drivers, 1) switching to more sustainable raw materials which have lower associated emission factors and 2) reducing emissions in our manufacturing partners through energy efficiency measures, phasing out coal, and a transition to renewable energy for those facilities. Even though overall emissions have increased, we have seen a 3% decrease in emission from raw material due to the increase in recycled polyester and nylon fabrics. Additionally, we have seen emission from product manufacturing (T1) decrease 1%. This progress has come from the AEO Carbon Leadership (CLP) Program, launched in 2021, for our strategic factories that represent approximately 80% of our procurement volume. The CLP program encourages suppliers to develop their own GHG inventory, commit to reduction targets and long-term climate-mitigation plans. This includes energy efficiency improvement, renewable energy use and phasing out coal powered processes and equipment. Factories that meet our requirements receive higher scores on our vendor scorecard and are prioritized for receiving business.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

[Add row]

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

Select all that apply

☒ Targets to increase or maintain low-carbon energy consumption or production

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☒ Low 1

(7.54.1.2) Date target was set

06/23/2020

(7.54.1.3) Target coverage

Select from:

☒ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

☒ Electricity

(7.54.1.5) Target type: activity

Select from:

☒ Consumption

(7.54.1.6) Target type: energy source

Select from:

☒ Renewable energy source(s) only

(7.54.1.7) End date of base year

01/31/2019

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

160097543

(7.54.1.9) % share of low-carbon or renewable energy in base year

2

(7.54.1.10) End date of target

01/31/2031

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

24

(7.54.1.13) % of target achieved relative to base year

22.45

(7.54.1.14) Target status in reporting year

Select from:

☒ Underway

(7.54.1.16) 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).

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☒ RE100

(7.54.1.19) Explain target coverage and identify any exclusions

AEO joined RE100 in 2019, Secure renewable energy for 100% of electrical power demand for owned and operated facilities by 2030. The goal is organization wide and does not exclude any data.

(7.54.1.20) Target objective

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

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

AEO's commitment to the RE100 initiative has increased the amount of renewable energy we source. We recognize the following renewable energy sources, as defined by the RE100 Technical Criteria: wind, solar, geothermal, sustainably sourced biomass and sustainable hydropower. We began sourcing renewable energy for our offices, distribution centers and stores in Pennsylvania and Ohio at the end of 2018 and expanded to cover New York, Texas, Connecticut, and Illinois at the end of 2020. In 2021, we expanded coverage to include our facilities in Massachusetts, Maryland and New Jersey. This means that 26% of our energy came from renewable sources through our local utility suppliers in 2021. We are investigating how to further expand our renewable energy sourcing to onsite production, where feasible, as well as making larger investments in renewable energy projects to cover our footprint in states where we do not currently have the ability to source renewable energy. We continue to look for opportunities to source renewable energy for more of our facilities and expect to see this percentage increase year over year.

[Add row]

(7.55) 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.

Select from:

☒ Yes

(7.55.1) 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
Under investigation	1	
To be implemented	0	0
Implementation commenced	0	0
Implemented	1	12975
Not to be implemented	0	

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☒ Low-carbon electricity mix

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

12975

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

0

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

140000

(7.55.2.7) Payback period

Select from:

☒ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ 1-2 years

(7.55.2.9) Comment

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

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☒ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

40000

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

50000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

100000

(7.55.2.7) Payback period

Select from:

☒ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ 6-10 years

(7.55.2.9) Comment

AEO is in the process of securing a VPPA project. Estimated annual savings from the project.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☒ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

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

[Add row]

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

Select from:

☒ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☒ No

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☒ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

☒ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☒ 100%

(9.2.2) Frequency of measurement

Select from:

☒ Yearly

(9.2.3) Method of measurement

Water withdrawals and discharge are calculated through a combination of actual data from utility invoices through Resource Advisor, and estimations based on square footage and the water discharge intensity of similar facilities of the same type.

(9.2.4) Please explain

This covers our direct operations, which refers to our owned & operated sites that includes stores, offices, and distribution centers.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☒ 100%

(9.2.2) Frequency of measurement

Select from:

☒ Yearly

(9.2.3) Method of measurement

Water withdrawals and discharge are calculated through a combination of actual data from utility invoices through Resource Advisor, and estimations based on square footage and the water discharge intensity of similar facilities of the same type.

(9.2.4) Please explain

This covers our direct operations, which refers to our owned & operated sites that includes stores, offices, and distribution centers.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not monitored

(9.2.4) Please explain

N/A

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☒ 100%

(9.2.2) Frequency of measurement

Select from:

☒ Yearly

(9.2.3) Method of measurement

Water withdrawals and discharge are calculated through a combination of actual data from utility invoices through Resource Advisor, and estimations based on square footage and the water discharge intensity of similar facilities of the same type.

(9.2.4) Please explain

This covers our direct operations, which refers to our owned & operated sites that includes stores, offices, and distribution centers.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☒ Not relevant

(9.2.4) Please explain

N/A

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☒ 100%

(9.2.2) Frequency of measurement

Select from:

☒ Yearly

(9.2.3) Method of measurement

All owned and operated facilities are required to comply with all applicable OH&S and water treatment standards in their country or region of operation.

(9.2.4) Please explain

This covers our direct operations, which refers to our owned & operated sites that includes stores, offices, and distribution centers.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

185

(9.2.2.2) Comparison with previous reporting year

Select from:

☒ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☒ Change in accounting methodology

(9.2.2.4) Five-year forecast

Select from:

☒ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☒ Increase/decrease in business activity

(9.2.2.6) Please explain

Our withdrawals decreased in 2024 largely due to improved reporting and calculation methods following our first year of footprint analysis in 2023. The 2023 water footprint methodology was updated in the current reporting year to align with the current methodology. We expect our business to grow some over the next five years, but not enough to significantly change water consumption in our direct operations. Our current water programs are focused on our supply chain, where the bulk of our water usage lies so we do not currently anticipate any major changes to this footprint.

Total discharges

(9.2.2.1) Volume (megaliters/year)

164

(9.2.2.2) Comparison with previous reporting year

Select from:

☒ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☒ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☒ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☒ Increase/decrease in business activity

(9.2.2.6) Please explain

In 2024, total water discharge was 164 megaliters, a 23% decrease from 214 megaliters in 2023. This reduction is primarily due to improved discharge efficiency at offices and warehouses. Additionally, enhancements in reporting and calculation methods following our first year of footprint analysis in 2023 have contributed to more accurate and streamlined tracking. Our offices reported net-zero water consumption in 2024, with all water withdrawals fully discharged. Warehouses improved their discharge rates, leading to a more favorable withdrawal-to-discharge intensity ratio. We remain committed to further optimizing discharge efficiency to reduce overall consumption. Looking ahead, we expect moderate operational growth over the next five years but do not anticipate significant changes in direct water use. Our water stewardship efforts will continue to focus on the supply chain, which constitutes the majority of our water footprint.

Total consumption

(9.2.2.1) Volume (megaliters/year)

21

(9.2.2.2) Comparison with previous reporting year

Select from:

☒ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☒ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☒ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☒ Increase/decrease in business activity

(9.2.2.6) Please explain

In 2024, total water consumption was 21 megaliters, a 45% reduction from 38 megaliters in 2023. Water consumption is calculated as the difference between water withdrawn and water discharged. This significant decrease is largely attributed to improved discharge efficiency across operations, particularly in stores. AEO calculates water intensity, measured in gallons per square foot per year (gal/sqft/year) which improved across stores in 2024 due to enhanced discharge practices. Stores accounted for 27% of total water consumption in 2023, which decreased to 22% in 2024, reflecting more efficient water use. Looking ahead, we anticipate moderate operational growth over the next five years but do not expect substantial changes in direct water use. Our water stewardship efforts will continue to prioritize the supply chain, which remains the largest contributor to our overall water footprint.

[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☒ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

40.73

(9.2.4.3) Comparison with previous reporting year

Select from:

☒ Much higher

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☒ Change in accounting methodology

(9.2.4.5) Five-year forecast

Select from:

☒ Lower

(9.2.4.6) Primary reason for forecast

Select from:

☒ Increase/decrease in business activity

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

22.02

(9.2.4.8) Identification tool

Select all that apply

☒ WRI Aqueduct

(9.2.4.9) Please explain

As part of our second annual water risk assessment, we applied the WRI Aqueduct 3.0 tool to evaluate whether water withdrawals occurred in stressed regions. All facility locations were mapped in the tool to assess exposure to baseline water stress, drought, and flood risks. In 2024, we identified that some of our high water consumption facilities are situated in water-stressed regions. This reflects improved year-over-year reporting accuracy and enhanced data quality measures implemented during this assessment cycle. AEO's current water programs are focused on our supply chain, where the bulk of our water usage lies.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☒ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

10

(9.3.3) % of facilities in direct operations that this represents

Select from:

☒ 26-50

(9.3.4) Please explain

Our water footprint and risk assessment currently only cover our direct operations. This numbers includes stores that are categorized as being high or extremely high risk for base water stress from the WRI Aqueduct tool.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☒ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 years

(9.3.4) Please explain

Our water footprint and risk assessment currently only cover our direct operations. This numbers includes stores that are categorized as being high or extremely high risk for base water stress from the WRI Aqueduct tool. In the future we will run supply chain facilities through the WRI Aqueduct tool as well.

[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

☒ Facility 1

(9.3.1.2) Facility name (optional)

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf of Mexico, North Atlantic Coast

(9.3.1.8) Latitude

26.16

(9.3.1.9) Longitude

-80.29

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.21

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.21

(9.3.1.21) Total water discharges at this facility (megaliters)

0.21

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.21

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 2

(9.3.1.1) Facility reference number

Select from:

☒ Facility 2

(9.3.1.2) Facility name (optional)

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :California

(9.3.1.8) Latitude

34.05

(9.3.1.9) Longitude

-118.24

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.14

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.14

(9.3.1.21) Total water discharges at this facility (megaliters)

0.13

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.13

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 3

(9.3.1.1) Facility reference number

Select from:

☒ Facility 3

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Mexico

☒ Other, please specify :Mexico - R  o Lerma

(9.3.1.8) Latitude

20.72

(9.3.1.9) Longitude

-103.39

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.01

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.01

(9.3.1.21) Total water discharges at this facility (megaliters)

0.01

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.01

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 4

(9.3.1.1) Facility reference number

Select from:

☒ Facility 4

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Anguilla

☒ Other, please specify :USA - Gulf Coast

(9.3.1.8) Latitude

29.88

(9.3.1.9) Longitude

-97.94

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.15

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.15

(9.3.1.21) Total water discharges at this facility (megaliters)

0.15

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.15

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 5

(9.3.1.1) Facility reference number

Select from:

☒ Facility 5

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :USA - Gulf Coast

(9.3.1.8) Latitude

29.43

(9.3.1.9) Longitude

-98.49

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.12

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.12

(9.3.1.21) Total water discharges at this facility (megaliters)

0.12

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.12

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 6

(9.3.1.1) Facility reference number

Select from:

☒ Facility 6

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :California

(9.3.1.8) Latitude

33.82

(9.3.1.9) Longitude

-118.04

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.12

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.12

(9.3.1.21) Total water discharges at this facility (megaliters)

0.11

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.11

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 7

(9.3.1.1) Facility reference number

Select from:

☒ Facility 7

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf Coast

(9.3.1.8) Latitude

26.15

(9.3.1.9) Longitude

-97.92

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.16

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.16

(9.3.1.21) Total water discharges at this facility (megaliters)

0.15

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.15

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 8

(9.3.1.1) Facility reference number

Select from:

☒ Facility 8

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf of Mexico, North Atlantic Coast

(9.3.1.8) Latitude

28.09

(9.3.1.9) Longitude

-80.9

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.15

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.15

(9.3.1.21) Total water discharges at this facility (megaliters)

0.15

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.15

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 9

(9.3.1.1) Facility reference number

Select from:

☒ Facility 9

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf Coast

(9.3.1.8) Latitude

26.22

(9.3.1.9) Longitude

-98.24

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.1

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.1

(9.3.1.21) Total water discharges at this facility (megaliters)

0.1

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.1

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

Row 10

(9.3.1.1) Facility reference number

Select from:

☒ Facility 10

(9.3.1.3) Value chain stage

Select from:

☒ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☒ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☒ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☒ Other, please specify :Gulf Coast

(9.3.1.8) Latitude

32.94

(9.3.1.9) Longitude

-97.09

(9.3.1.10) Located in area with water stress

Select from:

☒ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

0.13

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☒ Much lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0.13

(9.3.1.21) Total water discharges at this facility (megaliters)

0.12

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☒ Much lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0.12

(9.3.1.27) Total water consumption at this facility (megaliters)

0

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☒ Much lower

(9.3.1.29) Please explain

All operational locations report monthly water withdrawal data, sourced from water bills, invoices, or on-site meter readings. This data is validated and approved by a designated data team to ensure accuracy and consistency. Water discharge data is reported annually and is typically estimated based on locally available records. Using this information, water consumption is calculated annually as the difference between water withdrawn and discharged. Overall water consumption in 2024 across these 10 facilities is less than 0.01 megaliters. Following our first year of water footprint analysis in 2023, we revised our water consumption calculation methodology to better align with current practices and data quality. As a result, the 2023 water consumption figure has been updated and is reflected in this year's disclosures to maintain consistency and accuracy across reporting years.

[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

Water consumption – total volume

(9.3.2.1) % verified

Select from:

☒ Not verified

(9.3.2.3) Please explain

Verification for water data in our owned & operated footprint is not a priority for AEO at the moment. Our water programs and verification work are focused on our supply chain.

[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☒ No, CDP supply chain members do not buy goods or services from facilities listed in 9.3.1

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	5329000000	28805405.41	We anticipate that revenue will continue to grow, outpacing any organic growth in water consumption as the business grows and adds more facilities.

[Fixed row]

(9.12) Provide any available water intensity values for your organization's products or services.

Row 1

(9.12.1) Product name

Stores

(9.12.2) Water intensity value

4.42

(9.12.3) Numerator: Water aspect

Select from:

☒ Water consumed

(9.12.4) Denominator

/sqft/year

(9.12.5) Comment

Water intensity per facility type is calculated as gallons consumed/sqft/year.

Row 2

(9.12.1) Product name

Office/ Warehouse

(9.12.2) Water intensity value

1.84

(9.12.3) Numerator: Water aspect

Select from:

☒ Water consumed

(9.12.4) Denominator

/sqft/year

(9.12.5) Comment

Water intensity per facility type is calculated as gallons consumed/sqft/year.

Row 3

(9.12.1) Product name

Warehouse

(9.12.2) Water intensity value

1.84

(9.12.3) Numerator: Water aspect

Select from:

☒ Water consumed

(9.12.4) Denominator

/sqft/year

(9.12.5) Comment

Water intensity per facility type is calculated as gallons consumed/sqft/year.

Row 4

(9.12.1) Product name

Office

(9.12.2) Water intensity value

8.98

(9.12.3) Numerator: Water aspect

Select from:

☒ Water consumed

(9.12.4) Denominator

/sqft/year

(9.12.5) Comment

Water intensity per facility type is calculated as gallons consumed/sqft/year.

Row 5

(9.12.1) Product name

Data Center

(9.12.2) Water intensity value

1.21

(9.12.3) Numerator: Water aspect

Select from:

☒ Water consumed

(9.12.4) Denominator

/sqft/year

(9.12.5) Comment

Water intensity per facility type is calculated as gallons consumed/sqft/year.

[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:

☒ No

(9.13.2) Comment

AEO is committed to reducing the use and impact of harmful substances in our global supply chain. As part of that commitment, we maintain a Product Restricted Substance List (RSL), which is a dynamic document that is updated semi-annually based on changes in global legislation and corporate requirements. Our suppliers are required to follow our RSL as part of their Master Purchase Agreement, and we validate compliance with regular audits. We work closely with a third party accredited lab for expert regulatory advice and updates. We also monitor high-risk chemicals of concern in the industry with our third party accredited lab, industry groups such as AAFA, AFIRM Group, and RILA, and monitor Prop 65 notices in CA. We recently made the decision to ban the use of Poly- and Perfluorinated Alkyl Substances (PFAS) in our products due to the overwhelming concern for issues found in the use of this chemical in all aspects of the supply chain. PFAS are a group of chemicals that create a water

[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☒ Yes

(9.14.2) Definition used to classify low water impact

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 and Carbon Leadership Program. Our denim and woven bottom products in this program have to be made in mills and laundries that meet the program requirements (water reduction and recycling, wastewater and chemical standards) and have a low impact wash. Any denim Real Good products would be considered low water impact.

(9.14.4) Please explain

see Real Good description

[Fixed row]

(9.15) Do you have any water-related targets?

Select from:

☒ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	Select from: ☒ Yes	
Water withdrawals	Select from: ☒ Yes	
Water, Sanitation, and Hygiene (WASH) services	Select from: ☒ No, and we do not plan to within the next two years	Not an immediate strategic priority.
Other	Select from: ☒ No, and we do not plan to within the next two years	Not an immediate strategic priority.

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☒ Target 1

(9.15.2.2) Target coverage

Select from:

☒ Suppliers

(9.15.2.3) Category of target & Quantitative metric

Water pollution

☒ Other water pollution, please specify :% of water-intensive factories, mills and laundries covered by AEO's Wastewater Management Standard

(9.15.2.4) Date target was set

09/26/2019

(9.15.2.5) End date of base year

01/31/2018

(9.15.2.6) Base year figure

36

(9.15.2.7) End date of target year

(9.15.2.8) Target year figure

170

(9.15.2.9) Reporting year figure

179

(9.15.2.10) Target status in reporting year

Select from:

☒ Achieved and maintained

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☒ Zero Discharge of Hazardous Chemicals (ZDHC)

(9.15.2.13) Explain target coverage and identify any exclusions

Apply AEO Wastewater Management Standard to 100% of strategic water-intensive factories, mills and laundries by 2023

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

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 achieved this goal in 2023.

(9.15.2.16) Further details of target

This target is maintained for all current and new in scope suppliers. The figures provided are the number of facilities.

Row 2

(9.15.2.1) Target reference number

Select from:

☒ Target 2

(9.15.2.2) Target coverage

Select from:

☒ Suppliers

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☒ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

09/26/2019

(9.15.2.5) End date of base year

01/31/2018

(9.15.2.6) Base year figure

34.17

(9.15.2.7) End date of target year

01/31/2024

(9.15.2.8) Target year figure

(9.15.2.9) Reporting year figure

17.79

(9.15.2.10) Target status in reporting year*Select from:*☒ Achieved and maintained**(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target***Select all that apply*☒ None, alignment not assessed**(9.15.2.13) Explain target coverage and identify any exclusions**

Reduce water use per jean by 30% by 2025 from a 2017 baseline year. The target is calculated by dividing the average freshwater consumption (excluding rainwater) of active denim laundries and fabric mills in 2023 by the annual production volume in garment pieces.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

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 achieved this goal in 2023.

(9.15.2.16) Further details of target

This target was met and replaced by a more ambitious target. The figures provided are the gallons of water used per jean production.

Row 3**(9.15.2.1) Target reference number**

Select from:

☒ Target 3

(9.15.2.2) Target coverage

Select from:

☒ Suppliers

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☒ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

09/15/2022

(9.15.2.5) End date of base year

01/31/2018

(9.15.2.6) Base year figure

34.17

(9.15.2.7) End date of target year

01/31/2026

(9.15.2.8) Target year figure

17.09

(9.15.2.9) Reporting year figure

(9.15.2.10) Target status in reporting year

Select from:

☒ Underway**(9.15.2.11) % of target achieved relative to base year**

96

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☒ None, alignment not assessed**(9.15.2.13) Explain target coverage and identify any exclusions**

Reduce water use per jean by 50% by 2025 from a 2017 baseline year. The target is calculated by dividing the average freshwater consumption (excluding rainwater) of active denim laundries and fabric mills in 2023 by the annual production volume in garment pieces.

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

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 48%, and increased the amount of water recycling to 76% in 2024. With these efforts, our mills and laundries have saved over five billion gallons of water over the lifetime of the program.

(9.15.2.16) Further details of target

Water recycling initiatives and the adoption of more water-efficient machinery, along with advanced washing and dyeing technologies, are among the most effective strategies to achieve the target. Implementing these improvements requires substantial investment, including upgrading wastewater treatment systems, acquiring advanced machinery, hiring skilled personnel for management and maintenance, and addressing additional electricity needs, all of which must be carefully designed and planned by each supplier. In the last few years, we arranged best practices sharing sessions among suppliers about water recycling and reduction. Our Washing Department is using Jeanologia Environmental Impact Measurement (EIM) software to monitor the environmental and social impacts of each garment product system

in order to identify water and energy saving opportunities of jeans washing process from the product development stage. The figures provided are the gallons of water used per jean production.

Row 4

(9.15.2.1) Target reference number

Select from:

☒ Target 4

(9.15.2.2) Target coverage

Select from:

☒ Suppliers

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☒ Increase in water use met through recycling/reuse

(9.15.2.4) Date target was set

09/26/2019

(9.15.2.5) End date of base year

01/31/2018

(9.15.2.6) Base year figure

480120986.43

(9.15.2.7) End date of target year

01/31/2024

(9.15.2.8) Target year figure

1647038044.84

(9.15.2.9) Reporting year figure

2651672415.93

(9.15.2.10) Target status in reporting year

Select from:

☒ Achieved and maintained

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☒ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

Recycle 50% of total water used in denim laundries by 2023. The target is calculated by dividing the amount of recycled water by the annual average freshwater consumption (excluding rainwater).

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

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 achieved this goal in 2023.

(9.15.2.16) Further details of target

This target was met and replaced by a more ambitious target. The figures provided are the gallons of water used per jean production.

Row 5

(9.15.2.1) Target reference number

Select from:

☒ Target 5

(9.15.2.2) Target coverage

Select from:

☒ Suppliers

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☒ Increase in water use met through recycling/reuse

(9.15.2.4) Date target was set

09/15/2022

(9.15.2.5) End date of base year

01/31/2018

(9.15.2.6) Base year figure

480120986.43

(9.15.2.7) End date of target year

01/31/2026

(9.15.2.8) Target year figure

2444260120.73

(9.15.2.9) Reporting year figure

2651672416.76

(9.15.2.10) Target status in reporting year

Select from:

☒ Achieved and maintained

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☒ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

Recycle 70% of total water used in denim laundries by 2025. The target is calculated by dividing the amount of recycled water by the annual average freshwater consumption (excluding rainwater).

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

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 48%, and increased the amount of water recycling to 76% in 2024. With these efforts, our denim laundries recycled more than 2 billion gallons of water in 2024.

(9.15.2.16) Further details of target

This increased ambition target will continue to be evaluated and increased over time as needed. The figures provided are the gallons of water used per jean production.

Row 6

(9.15.2.1) Target reference number

Select from:

☒ Target 6

(9.15.2.2) Target coverage

Select from:

☒ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☒ Reduction in total water withdrawals

(9.15.2.4) Date target was set

09/15/2022

(9.15.2.5) End date of base year

01/31/2024

(9.15.2.6) Base year figure

27

(9.15.2.7) End date of target year

01/31/2029

(9.15.2.8) Target year figure

19

(9.15.2.9) Reporting year figure

(9.15.2.10) Target status in reporting year*Select from:*☒ Underway**(9.15.2.11) % of target achieved relative to base year**

0

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target*Select all that apply*☒ None, alignment not assessed**(9.15.2.13) Explain target coverage and identify any exclusions***Reduce water footprint by 30% by 2028 across own operations and strategic factories and mills for all product types***(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year***Work for strategic factories and mills same as above. 2024 is second year of data for operations footprint. Now that we have comparison data a plan will be developed to look at operations as well.***(9.15.2.16) Further details of target***This target was new in 2023. The figures provided are gallons of water used per kg of operations.**[Add row]*

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☒ Yes

(10.1.2) Target type and metric

Plastic packaging

☒ Reduce the total weight of plastic packaging used and/or produced

☒ Reduce the total weight of virgin content in plastic packaging

Extended Producer Responsibility (EPR)

☒ Ensure compliance with EPR policies and schemes

(10.1.3) Please explain

AEO set targets in 2022 to reduce virgin plastic by 50% and reduce total plastic footprint by 30% by 2028. AEO also set a target in 2019 which it has since achieved to convert all on product labels to sustainably sourced materials.

[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☒ Yes

(10.2.2) Comment

AEO considers durable plastics as synthetic yarns, trims, and components made from monomers like virgin or recycled polyester, elastane, nylon, and acrylic.

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

Other activities not specified

(10.2.1) Activity applies

Select from:

☒ No

(10.2.2) Comment

Not relevant for AEO.

[Fixed row]

C11. Environmental performance - Biodiversity

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

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☒ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☒ No, we do not use indicators, but plan to within the next two years

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	Select from: ☒ Not assessed	AEO has not yet assessed its activities with respect to biodiversity.
UNESCO World Heritage sites	Select from: ☒ Not assessed	AEO has not yet assessed its activities with respect to biodiversity.
UNESCO Man and the Biosphere Reserves	Select from: ☒ Not assessed	AEO has not yet assessed its activities with respect to biodiversity.
Ramsar sites	Select from: ☒ Not assessed	AEO has not yet assessed its activities with respect to biodiversity.
Key Biodiversity Areas	Select from: ☒ Not assessed	AEO has not yet assessed its activities with respect to biodiversity.
Other areas important for biodiversity	Select from: ☒ Not assessed	AEO has not yet assessed its activities with respect to biodiversity.

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☒ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☒ Energy attribute certificates (EACs)

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☒ ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

Renewable energy purchase and certifications have been third party verified.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

AEO 2024 Verification Statement_final_r1.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☒ Electricity/Steam/Heat/Cooling consumption

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☒ ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

We verify Scope 1 and 2 energy consumption in kWh. Energy Consumption 158,097,875 kWh (includes 37,953,036 kWh onsite and off site renewable energy)

(13.1.1.5) Attach verification/assurance evidence/report (optional)

AEO 2024 Verification Statement_final_r1.pdf

[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

EVP - Chief Supply Chain and Technology Officer

(13.3.2) Corresponding job category

Select from:

☒ Other C-Suite Officer

[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:

☒ No

