



## NEWS RELEASE

# AEO Inc. Expands ESG Goals and Highlights More Than Two Decades of Progress in Second “Building a Better World” Report

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- Report Prepared in Alignment with the Sustainability Accounting Standards Board (SASB) and Introduces the Task Force on Climate-related Financial Disclosures (TCFD) Framework
- Updates Environmental Targets After Exceeding Several Goals
- Deepens Support for Philanthropic Causes Important to Customers Through Launch of the Aerie Real Foundation

PITTSBURGH--(BUSINESS WIRE)-- American Eagle Outfitters, Inc. (NYSE: AEO) today released its second environmental (Planet), social (People) and governance (Practices) report detailing progress made through the company's Building a Better World strategy. AEO also announced new sustainability goals after exceeding several water conservation targets. Most notably, the company reduced water use per pair of jeans produced by 38% in 2022, surpassing the initial water reduction goal one year early.

Courtesy of AEO, Inc.

A commitment to social responsibility has been central

to AEO since its inception, as evidenced through its initiatives and more than two decades of ESG achievements. With enhanced transparency, as well as SASB and TCFD-aligned sustainability reporting, AEO's commitment to increased oversight and performance has resulted in a number of advancements over the last twelve months, including MSCI's upgrade of AEO's ESG rating from “BBB” to “A.”

“Doing good—and doing right by our customers, associates and communities is deeply woven within the fabric of AEO,” said Jay Schottenstein, Executive Chairman of the Board and Chief Executive Officer. “We are proud to release

our second ESG report to highlight greater transparency and our ongoing commitment to building a better world. Every day we strive to make lasting improvements across our organization that will lead to a more sustainable and equitable future.”

The report also highlights a number of new programs through AEO’s charitable giving that further champions causes that are important to its customers and communities. In 2022, AEO established the Aerie Real Foundation, formalizing and expanding on the brand’s decades-long history of philanthropy to promote women’s empowerment, inclusivity and sustainability.

## Expanded and Enhanced Planet Goals

AEO has achieved or exceeded several environmental goals, directed at protecting the planet and driving meaningful change across the retail industry. To reflect this progress, the company has added the following targets to its existing goals:

- Recycle 70% of total water used in denim laundries by 2025;
- Reduce its water footprint by 30% by 2028 across its own operations, and strategic factories and mills;
- Commit to net-zero emissions by 2050;
- Reduce virgin plastic by 50% and reduce total plastic footprint by 30% by 2028; and
- Use sustainable sources for 75% of all fibers by 2028.

## 2022 Highlights: Our Journey To Building A Better World

- Together with customers, donated over \$10 million to nonprofits that share AEO’s vision for building a better world and include support of mental health, youth and women’s empowerment and education programs for teens and young adults;
- Awarded nearly \$850,000 to 45 associates through its Steven A. Davis Scholarship for Social Justice, a \$5 million commitment launched in 2021 to advance educational opportunities for AEO associates who are actively driving anti-racism, equality and social justice initiatives;
- Saved 4 billion gallons of water across jeans factories since the launch of the company’s Water Leadership Program in 2017;
- Recycled 9 million gallons of water at laundries in 2022;
- Saved the equivalent of 174 million plastic bottles by ensuring 25% of all polyester used in production came from recycled sources;
- Logged more than 14,000 hours of volunteer service by associates in local communities; and
- Introduced Be Well@AEO, a holistic program providing associates with tools and resources to manage their mental and physical health, financial goals and more.

To view the full report and learn more about AEO's Planet, People and Practices initiatives, please click **here**.

## About American Eagle Outfitters, Inc.

American Eagle Outfitters, Inc. (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. Our purpose is to show the world that there's REAL power in the optimism of youth. The company operates stores in the United States, Canada, Mexico, Hong Kong and Japan, and ships to approximately 80 countries worldwide through its websites. American Eagle and Aerie merchandise also is available at more than 260 international locations operated by licensees in approximately 30 countries. To learn more about AEO and the company's commitment to Planet, People and Practices, please visit **[www.aeo-inc.com](http://www.aeo-inc.com)**.

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