

HEADQUARTERS

United States

TARGETS

None

American Eagle Outfitters Inc.

TICKER NYS:AEO MARKET CAPITALIZATION US\$4 billion

DISCLOSURES

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

American Eagle Outfitters Inc. (American Eagle), a US apparel retailer, has taken basic steps to address forced labor risks in its supply chains. It discloses less information than the global sector average. Other US apparel retailers such as L Brands or Gap disclose taking stronger steps. While the company discloses that it prohibits its suppliers from manufacturing in or sourcing materials from Xinjiang, it appears to have neither disclosed any steps it has taken to enforce this policy nor addressed the risks of alleged Uyghur forced labor beyond Xinjiang.

STEPS TAKEN TO ADDRESS FORCED LABOR RISKS IN SUPPLY CHAINS

NO	BASIC	SOME	INTERMEDIATE	ADVANCED	
STEPS	STEPS	STEPS	STEPS	STEPS	
	American Eagle has taken basic steps to address forced labor risks in its supply chains. It is among 38% of companies in this sector to do so, with 50% of companies having taken stronger steps .				
ipplier List	TRANSPARENCY	P No			
formation on Supply Chain Workers		No			
IIGH-RISK RAW MATERIALS ¹ Cotton, viscose, and wool			HIGH-RISK SOURCING COUNTRIES China, India, and Vietnam		

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's <u>2021 Apparel and Footwear Benchmark Report</u>.



SUBSET OF INDICATORS

NOT MET PARTIALLY MET	Policy / Process	Outcomes
Supplier Code of Conduct and Integration into Supplier Contracts		Θ
Management and Accountability Internal Management Board Oversight		Not Applicable
Stakeholder Engagement Local Stakeholders Peers	\bigcirc	Not Applicable
Risk Assessment	\bigcirc	\bigcirc
Purchasing Practices	\bigcirc	\bigcirc
Recruitment Fees	\bigcirc	\bigcirc
Freedom of Association Working with Unions Examples of Improvements		Not Applicable
Grievance Mechanism	\bigcirc	\bigcirc
Remedy Programs / Remedy Outcomes and Response to Allegations	\bigcirc	\bigcirc

American Eagle discloses having adopted training on its responsible sourcing program, its supplier code of conduct, and the forced labor risks in its apparel supply chains for employees who engage with suppliers. It also discloses board oversight over policies, including those relating to "ethical and sustainable sourcing" and "workplace and human rights practices." Further, the company discloses assessing forced labor risks when it begins sourcing from new countries.

Additional steps the company could take include

- disclosing the names and addresses of its suppliers and data points on its suppliers' workforce;
- implementing the <u>AAFA/FLA Commitment on Responsible Recruitment</u> it has signed on to and ensuring that workers in its supply chains do not pay recruitment fees; and
- taking steps to verify that supply chain workers and their representatives have access to
 effective grievance mechanisms.

COMPANY ENGAGED WITH KNOWTHECHAIN²

Yes (Provided Additional Disclosure).

² Research conducted through November 2020 or through February 2021, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the <u>Business & Human Rights Resource Centre website</u>.