# 2025–2026 Impact Report




*The newly-opened Building 16 is URBN's latest adaptive-reuse project. The 123,000-square-foot structure, originally a ship building and repair facility for the U.S. Navy, is now home to photo studios, conference rooms, and mixed use spaces.*



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*This report covers information and data from September 1, 2025 through August 31, 2026. URBN releases Impact Reports on a biannual cadence and release updates on key metrics annually.*

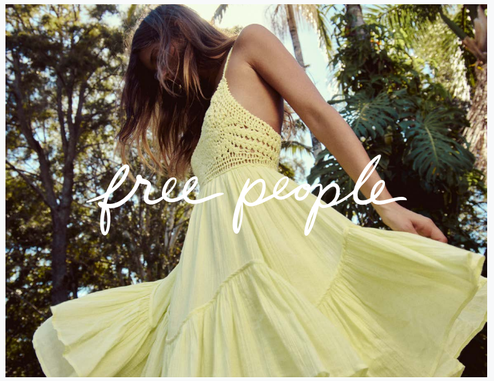
# ABOUT URBN

Urban Outfitters, Inc. (URBN) is a portfolio of global consumer brands comprised of Anthropologie Group, Free People, FP Movement, Terrain, Urban Outfitters, Nuuly and Menus & Venues. For over 50 years, we have inspired our customers through our creative and entrepreneurial approach to products, services and experiences. We look forward to continuing this journey for another 50 years and beyond.













URBN












# LEAD WITH CREATIVITY... TO MAKE AN IMPACT

At URBN, we **Lead With Creativity...** Creativity guides our approach to product, environment, experience, and community. It drives our vision, strategy, and decision-making. It touches every job at URBN and it has shaped the creation of this report.

Lead With Creativity... to Make an Impact highlights our ambitious plans to apply our creative thinking and entrepreneurial mindset to our industry's challenges in environmental and social responsibility.

# OUR VALUES

**UNITE** in communicating and collaborating with integrity

**RESPECT** our planet, our world, and each other

**BUILD** our future through creative entrepreneurship

**NURTURE** meaningful connections with customers and employees

These values are the foundation of our Lead with Creativity... to Make an Impact platform, with Respect as the cornerstone of this report — Respect our Planet and Respect our People. We work every day to uphold these values and to be held accountable to them by our community.



# OUR COMMITMENTS

As our industry and the world have evolved, so has our work in environmental and social responsibility. While our pillars and ambitions remain the same, we have updated our commitments to reflect this progression.

## RESPECT OUR PLANET

### Invest in Circularity

- Continue Investments in Circular Business Models
- Give second life to 1.5 million rental units annually
- Pilot new collections and programs designed to rethink end-of-life solutions
- Expand Reclectic to 10 locations
- Extend the Life of URBN Garments through Recycling & Recirculating
- Extend the life of Nuuly clothes by repairing at least 1M units annually

### Utilize Better Materials

- 80% of URBN direct-sourced fabrics will be from ZDHC compliant mills
- 60% of URBN direct-sourced raw materials will be preferred materials
- Increase opportunities for regenerative materials in our products

### Increase Cleaner Energy

- Outfit 100% of new URBN stores, offices, and DCFCs are outfitted with LED lighting at opening
- Replace all non-LED fixtures with LED at end of useful life across stores

### Reduce Waste

- Have pathway to resale for 100% of eligible returns
- Replace 95% of owned fulfillment plastic void fill with paper
- Increase average package fill rate from a FY27 baseline
- Replace 500,000 bottles and cans annually with beverage dispensers
- Explore material alternatives for flat & bubble mailers (manual bagging)
- Explore material alternatives for flat & bubble mailers (auto-bagging)
- Explore and pilot non-virgin plastic polybags for DTC packaging
- Develop a recyclable swift tag
- Increase utilization of 3D visualization software to reduce samples and textile waste
- Expand recycling opportunities to reduce packaging and textile waste to landfill
- Expand product takeback programs

## RESPECT OUR PEOPLE

### Cultivate Community

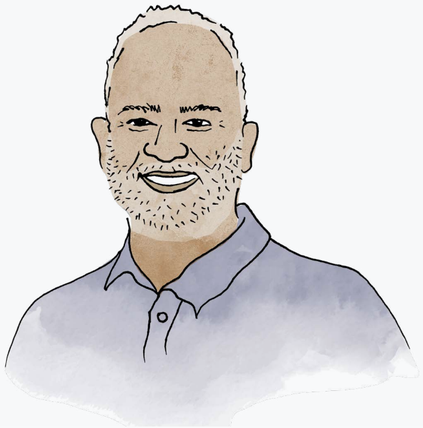
- Prioritize our people, culture, and communities

### Improve Supply Chain Transparency

- Building a Digital Infrastructure: Advance the phased rollout of our new compliance platform to centralize compliance and traceability data, achieving full multi-tier integration
- Supply Chain Traceability: Map the multi-tier supply network and raw material origins for our highest-volume legacy styles
- Worker Engagement: Partner with a recognized third party to pilot a direct worker engagement program in key sourcing regions and supply partners



Frank Conforti
*Co-President & Chief Operating Officer, URBN*



Gokul Krishnan
*Chief Sourcing & GTC Officer, URBN*

# FROM OUR EXECUTIVE LEADERSHIP

2026 is a significant year for our **Lead with Creativity... to Make an Impact** strategy. Since we released our first report four years ago, we have made great strides, learned a great deal, and have made actionable plans for the future, prioritizing our business, people, and planet.

We are proud of the progress we have made but realize our work must remain ongoing. To that end, we are excited to unveil several new commitments that align with our current pillars—**Respect our Planet** and **Respect our People**—as well as our vision for the future. Since setting our initial commitments in 2021, the landscape has changed significantly. Environmental and social responsibility are no longer viewed as standalone functions; they are fundamentally embedded into how we operate. We are seeing across our business and our industry that the strategies making us more nimble and creative are the same ones enabling us to set and achieve these ambitious new commitments.

During a recent visit to several of our factory partners across the globe, we were struck by the innovation happening across our supply chain, not only leading to better business outcomes—tighter production timelines, faster product creation—but also supporting our impact goals. By digitizing more of the product creation process, we're able to create fewer samples, leading to less textile waste and reduced carbon emissions. By leveraging new AI-powered technologies and partners, we are able to more effectively and more comprehensively trace our supply chain, something we know is important to our customers.

We remain committed to delivering the best possible outcomes for our customers, employees, and investors, and we feel incredibly confident in the teams we have assembled to accomplish this work. We're proud of the progress we've made so far and energized for the path ahead.



Frank Conforti



Gokul Krishnan

# URBN 2025–2026 HIGHLIGHTS

FREE PEOPLE x National Park Foundation

## Nearly 4M Bags Skipped

*through Free People's Skip-a-Bag program, helping reduce single-use packaging while supporting conservation efforts through our partnership with The National Park Foundation*

FAB SCRAP

## URBN recycled 43,000 lbs of textile waste

*through our partnership with FabScrap*

nuuly

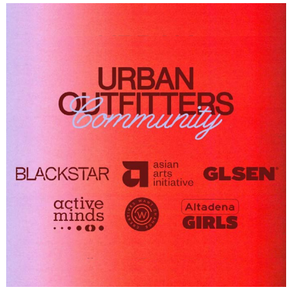
launched their first comprehensive overview on how rental is influencing consumer behavior

URBN hosted

## 15 Cultural Events

*through our Employee Resource Groups (ERGs)*




*Urban Outfitters and customers*

**donated over $300,000**

*during UO Giving Season*

Established the URBN **Impact Fund**

with a goal of distributing $50M to qualified nonprofits



Nuuly has avoided the use of roughly

**12.5M cardboard boxes**

with their reusable Nuuly tote since 2019

**URBN replaced 14,276 miles of virgin plastic**

*with recycled & recyclable alternatives*

ANTHROPOLOGIE x COTTON BLUE JEANS GO GREEN DENIM RECYCLING




*To date, Anthro's participation in Cotton's Blue Jeans Go Green™ program has given a second life to more than*

**12,600 pieces of denim**

(RE)CLECTIC

gave a second life to

**nearly 1M retired Nuuly rental items**

*Blue Jeans Go Green™ is a trademark of Cotton Incorporated*





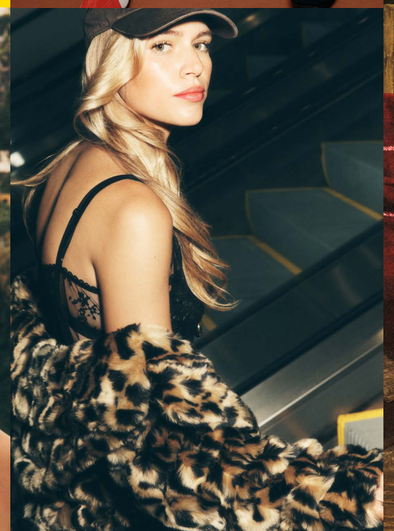




# MEET OUR BRANDS





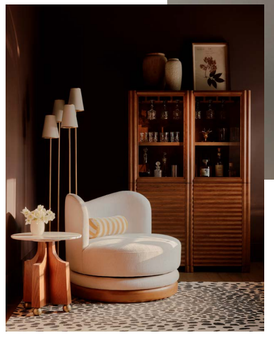












# ANTHROGROUP

Anthropologie is a modern, design-led lifestyle brand spanning fashion, home, weddings, garden, and gifting, where joyful self-expression meets inspired living. We create immersive shopping experiences, both online and in-store. Our curated collections blend own-brand exclusives with best-in-market partners, offering timeless quality and trend-forward designs. With over 220 stores globally, Anthro is rooted in inclusivity, creativity, and community, always meeting customers where they are and inspiring them to explore, experience, and celebrate their lives in new ways.

The Anthro experience is rooted in more than what we create. It's also shaped by how we give back. Through Anthro Impact, we invite our employees and customers to join us in supporting the people, communities, and planet that inspires our work. Together, we've directed nearly $3 million towards organizations advancing our impact pillars of Arts Education, Women's Empowerment, and Sustainability. With customer participation in our register round-up campaigns increasing 28% year-over-year, our collective impact continues to grow.

# ANTHROPOLOGIE HIGHLIGHTS

## Championing the Next Generation of Artists

We believe creativity flourishes when artists have the resources, opportunities, and support to thrive. That's why we invest in organizations and programs that nurture artistic talent, amplify new voices, and help emerging artists build sustainable careers. Together with YoungArts, we're advancing this shared commitment through initiatives like the Leading With Creativity Award, which provides unrestricted financial support and paid creative collaborations that help artists invest in their practice while bringing their work to new audiences. Through their collaboration with Anthropologie Home, this past year's recipients translated their artistic vision into an exclusive gallery wall art collection.







## Empowering Women Artisan Entrepreneurs

When women succeed, their leadership, entrepreneurship, and craftsmanship strengthens families, communities, and future generations. We invest in organizations that help women grow thriving businesses through mentorship, market access, and meaningful connections. The Anthropologie x Nest Fellowship exemplifies this commitment, providing women-owned artisan businesses with business coaching, product development guidance, and the opportunity to launch collections through a retail partnership with Anthropologie.

## Deepening our Sustainability Approach

Driven by the belief that nature connects us all, Anthropologie and Terrain strive to make thoughtful choices that help protect the places that sustain and inspire us. Through investments in more responsible materials, regenerative agriculture, and conservation partnerships, we aim to support healthier ecosystems, strengthen biodiversity, and build more resilient supply chains. Our partnership with Kiss the Ground and investments in regenerative cotton are one example of this approach, helping support the transition of more than 50,000 acres to regeneratively managed farmland.



## Creating Local Impact



We create meaningful change by investing in the communities where we live and work. We empower our Home Office employees and field teams to volunteer, engage with nonprofit partners, and support causes that matter to them throughout the year, helping them make a difference in the places they call home. Through ongoing partnerships with three Philadelphia-based nonprofits, monthly Home Office engagement opportunities, and four store-nominated nonprofit partners across each of our regions, we're building lasting relationships that strengthen communities over time.

CARE FP












## FREE PEOPLE *fp movement*

Free People is a specialty lifestyle brand founded on the principles of creativity, inclusivity, honor, and adventure. Through both Free People and FP Movement, we aim to inspire self-expression, connection, and a life lived with intention through thoughtfully designed collections, meaningful experiences, and community.

In 2019, Free People created Care FP to formalize our commitment to caring for people, communities, animals, and the planet. We believe it's our responsibility to thoughtfully consider the impact of our business—from the products we create and the way we operate, to the artisans we celebrate and the nonprofit organizations with whom we partner. Across both the Free People and FP Movement brands, Care FP helps guide our approach to creating positive impact. While we recognize there is still much work ahead, we believe meaningful change is built through thoughtful, consistent action—doing a little better each day.

# FREE PEOPLE HIGHLIGHTS

## Championing Stories That Inspire Change with The Sundance Institute




Stories have the power to expand perspectives, build empathy and inspire culture. Through our partnership with The Sundance Institute, we're helping women documentary filmmakers bring important stories to life through grants, visibility, and mentorship. In 2025, we supported five filmmakers and also celebrated the Sundance Festival global premiere of supported film, 'Cookie Queens' as well as the theatrical release to audiences. We're continuing to support the next generation of filmmakers, ensuring more women's voices have the opportunity to be heard and celebrated.

## Creating Access to Movement with The City of Philadelphia

Everyone deserves safe and welcome spaces to move. In 2025, FP Movement partnered with the City of Philadelphia and local community to revive a beloved neighborhood recreational space, Hawthorn Court. Through partnership and intentional design we transformed the well-loved space into a colorful, multi-sport destination for all ages to play and enjoy the power of connection through movement.






## Celebrating Free People's Heritage & Craftsmanship

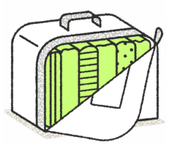
The Originals and The Originals 2.0 are Free People's archival collections that seamlessly bridge brand legacy with circularity. Sourced directly from the vault, this limited-edition release features unique, one-of-one pieces from 1990 through 2012—the very designs that built the brand. Following overwhelming demand from the first drop in October 2025, FP launched a second drop in July 2026, celebrating decades of iconic craftsmanship while keeping timeless fashion in circulation.

## Helping Communities Put Food on the Table

Community begins with caring for one another. Through our partnership with Feeding America, we've invested time, resources, and more than $1 million over 6 years to help fight food insecurity. In 2025, we partnered with From Lucie's to create a limited-edition holiday mini cake, transforming both their bakery and our West Broadway store into a celebration of generosity. Every cake purchase triggered a donation to Feeding America, supporting families facing hunger during the holiday season. Alongside this campaign, our employees activated their paid volunteer hours at food banks and donated 17,000+ meals through our Home Office food drive.

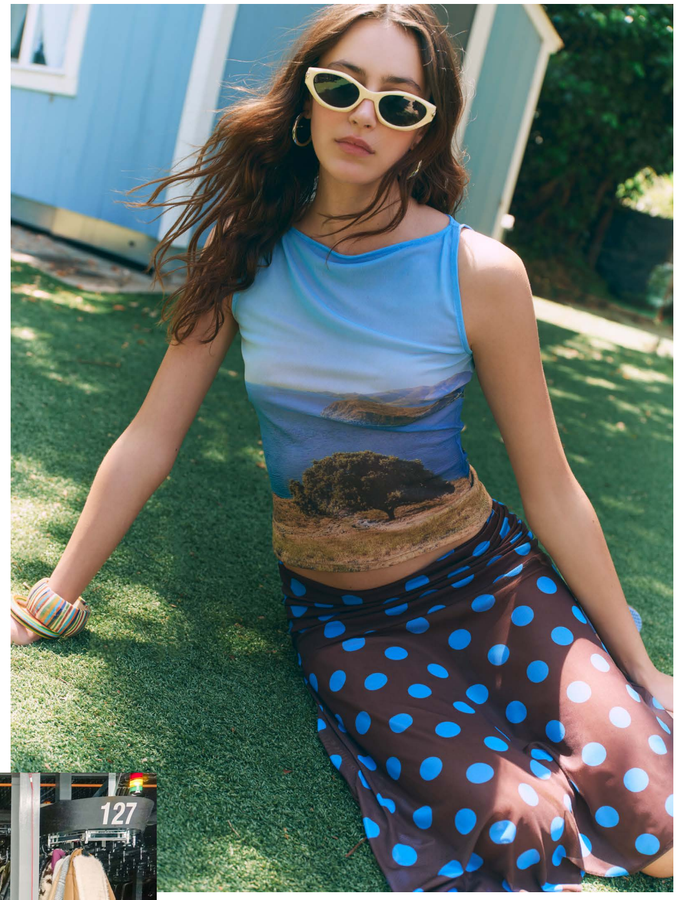
## Finding Furever Homes

Since 2020, we've partnered with Best Friends Animal Society to help more pets find loving homes. In October 2025 we hosted our first in-store adoption event series in partnership with Best Friends Life Saving Centers. And, in 2026, our FP employees laced up their sneakers and surpassed 126 million steps in a global step challenge, unlocking a $25,000 donation to support Best Friends Animal Society lifesaving work.


















# nuuly

Nuuly is URBN's largest investment in the circular economy: a curated destination for people who love fashion and want to wear it in ways that are lighter on the planet—and on their wallets. Launched in 2019, Nuuly is a monthly clothing rental subscription offering more than 34,000 styles from over 500 designer and contemporary brands, including Free People, FP Movement, Urban Outfitters, and Anthropologie. Our goal is to keep every garment in circulation as long as possible, lowering its environmental footprint on a per-wear basis, while making getting dressed more fun.

# NUULY HIGHLIGHTS

### The Advanced Repairs Pilot Program Kept Over 2,000 Occasion Wear Items in the Rental Assortment

In an effort to maximize the rental life of valuable and delicate items, Nuuly set up a pilot to invest in more time-intensive and specialized repairs, focusing on occasion dresses with zipper damage. To date, more than 2,000 dresses have been kept in rental rotation through the pilot. The program's success is being tracked to better understand the value of repair to Nuuly and identify durability constraints for special occasion pieces.

### Nuuly Extends the Life and Impact of Our Garments

Our programs, Re_Nuuly and The Thrift Shop were made to give our well-loved garments a new life. Re_Nuuly is an upcycling initiative aimed at reducing clothing waste by reimagining damaged and retired rentals as the source material of new styles. Through partnerships with some of the best creative brains on our team, in our community and all around the world, Re_Nuuly completely transforms unrentable garments and plays a key role in our mission to make fashion more circular. The Thrift Shop is an exclusive perk for Nuuly subscribers. Subscribers can access hundreds of final-sale styles and purchase them at deep discounts—all of which are shipped in their next Nuuly.








broad street LOVE

### Nuuly's Community and Giving

In 2025, Nuuly launched a new partnership with Broad Street Love, providing both financial support and clothing donations. Broad Street Love, an organization local to our hometown of Philadelphia, supports individuals experiencing deep poverty through support services and safe spaces. By donating clothing alongside funding, Nuuly is aligning our circular business model with direct community support for individuals facing housing insecurity and hardship. Through our sponsorship of the Kansas City Current, we have donated hundreds of garments to Kansas City-area schools, including dresses students can choose from for prom and homecoming, and a school closet open to any student in need.

### Nuuly Introduces UO in-Store & Home Office Returns for Efficiency and Sustainability

Nuuly partnered up with our sister brand, Urban Outfitters, to allow subscribers to drop their Nuuly bags off in stores. Doing this increases the efficiency of shipping while minimizing transportation impact. Nuuly also opened a kiosk for Home Office employees to return their Nuulies in the office, which helps avoid extra trips to UPS, cutting down on time and emissions.















# URBAN OUTFITTERS

Urban Outfitters has championed self-expression, connection, and creativity since opening our first store in 1970. For more than five decades, we've grown with youth culture, creating a platform for discovery, individuality, and community.

That same spirit shapes how we approach impact today. By listening to our customers and showing up in the moments that matter most, we use the reach of UO to support organizations, amplify creative voices, and create opportunities for our customers and employees to participate in meaningful impact.

# URBAN OUTFITTERS HIGHLIGHTS

## Values-Led Cultural Campaigns

Growing alongside youth culture means listening to our customers and understanding the moments, communities, and conversations that matter to them. Throughout the year, UO reflects those moments through dedicated values-led campaigns that integrate nonprofit partners with cultural storytelling, creative voices, and community experiences—using our platform to amplify their missions while creating opportunities for customers to learn, engage, and give.

Across Hispanic Heritage Month, Black History Month, AAPI Heritage Month, and Pride, UO and our customers contributed over $400,000 to nonprofit partners, alongside original content, emerging creative voices, community programming, and experiences that extended their work and stories across the broader UO platform.








**For Hispanic Heritage Month,** UO partnered with Las Fotos Project, supporting its work empowering young Latina and gender-expansive youth through photography and mentorship. The campaign extended across UO through a curated music collection and playlist, original storytelling with Chicano and Latino culture publication Frutas, and a live event at UO's historic Rialto Theater store in Los Angeles.

**For Black History Month,** UO continued its relationship with BlackStar Projects, by investing in the next generation of Black creative voices supporting filmmaker Mahsati Fidel in the creation of an original film, extending the partnership through storytelling and a planned screening in 2026.

**During AAPI Heritage Month,** UO built on its ongoing relationship with Asian Arts Initiative with a campaign that brought AAPI stories and communities into the broader UO platform through programming including an author conversation and reading with Monika Kim, a tour of Los Angeles' Koreatown, and storytelling spotlighting cultural hubs, local businesses, and AAPI creatives.

## Shining a Spotlight on Impact with Giving Season

During the holidays, UO brought social impact directly into one of the brand's biggest moments of the year, evolving Giving Tuesday into a three-month Giving Season integrated into the broader holiday campaign. The expanded approach reflected UO's strategy of building deeper nonprofit relationships while creating more consistent opportunities for customers to participate.

The initiative brought together six long-standing nonprofit partners—Altadena Girls, Active Minds, Creatives Want Change, GLSEN, BlackStar Projects, and Asian Arts Initiative—beginning with UO-supported community gatherings and continuing with customer cashwrap giving across all North American stores from November through January.

Through customer and brand contributions, UO raised over $300,000 for these nonprofits, more than 3x the donations of the previous year's program.



# RESPECT OUR PLANET

URBN strives to operate in a responsible way, consciously choosing our materials and partners. URBN is establishing and growing new initiatives that support our business and maximize our positive impact on the planet.

- INVEST IN CIRCULARITY
- UTILIZE BETTER MATERIALS
- REDUCE WASTE
- INCREASE CLEANER ENERGY

# INVEST IN CIRCULARITY

| PILLAR | CATEGORY | GOAL | YEAR | STATUS | SUBSTANTIAL PROGRESS NOTES |
|---|---|---|---|---|---|
| Planet | Invest in Circularity | **Continue Investments in More Circular Business Models** | NS* | On Track | Nuuly announced plans to expand and upgrade our facility in Pennsylvania with state-of-the-art technology to support our growing rental operations, which now boasts 500,000 active subscribers (as of June 2026). Approximately 70% of Nuuly subscribers are new to clothing rental.<br><br>Reclectic has expanded to six locations across the US.<br><br>Through Anthropologie's participation in Blue Jeans Go Green™, we've given over 12,600 pieces of denim a second life by recycling worn jeans into insulation, helping keep valuable materials in use. |
| Planet | Invest in Circularity | **Give Second Life to 1.5 Million Rental Units Annually** | 2030 | On Track | In FY26, over 2.2 million rental units were purchased directly by customers (via in-tote purchase, Nuuly Thrift, or sister brand marketplaces) and a further 1 million Nuuly garments given life after rental via indirect purchase, including Reclectic, donation, and other third-party retailers. |
| Planet | Invest in Circularity | **Pilot New Collections and Programs Designed to Rethink End-Of-Life Solutions** | 2030 | On Track | In FY26, Nuuly upcycled over 16,000 garments through Re_Nuuly—Nuuly's upcycling initiative aimed at reducing clothing waste by reimagining damaged and retired rentals as the source material of new styles—surpassing the brand's annual goal by 3,000 units. |
| Planet | Invest in Circularity | **Expand Reclectic to 10 Locations** | 2030 | On Track | Reclectic is on track to add three new locations by the end of FY28. |
| Planet | Invest in Circularity | **Extend the Life of URBN Garments through Recycling & Recirculating** | NS* | On Track | **Anthro Europe:** Collected over 400 take-back items, with 131 items going live for resale since partnering with Reskinned.<br><br>**UO Europe:** Joined the Textile Exchange to build our expertise in creating products for longevity and creating responsible end-of-life solutions.<br><br>**FP:** Sold over 80,000 units and have supported over 40 small businesses through our Vintage program. |
| Planet | Invest in Circularity | **Extend the Life of Nuuly Clothes by Repairing at Least 1M Units Annually** | 2030 | On Track | In FY26, garment care and repair specialists at the Nuuly distribution centers kept over 2.7M garments in circulation. In effort to maximize the rental life of valuable + delicate items, Nuuly set up a pilot to invest in more time-intensive and specialized repairs, focusing on occasion dresses with zipper damage. Through the pilot so far, more than 2,000 dresses have been kept in rental rotation. The pilot's success is being tracked to better understand the value of repair to Nuuly, and identify durability constraints for special occasion pieces. |

**Not specified*

*Blue Jeans Go Green™ is a trademark of Cotton Incorporated*

# The Thrill of the Hunt: Giving Merchandise New Life at Reclectic




Everything URBN does is rooted in our customer. Our flagship brand, Urban Outfitters, was born from the insight that customers wanted a new way to shop, with an eclectic mix of products tailor-made for their lifestyle. Since then, all brands within the URBN family were built on similar insights, including our newest concept—*Reclectic*.

Thrifting and outlet shopping continue to grow in popularity, with the global secondhand market alone projected to approach $360 billion by 2030. Customers are driven by affordability, sustainability, and discovery—according to the **BCG x Vestiaire Report "Resale's Next Chapter**," nearly 50% of buyers strongly agree that the search experience makes resale more enjoyable—what we call "the thrill of the hunt."

Capitalizing on this consumer insight is what has made Reclectic such a successful part of URBN's investment in circularity, serving as a home for retired and damaged rentals, samples, and overstock merchandise. Historically, these products would have exited our value chain and we would have been unable to track if they ever made it to a customer. Now, we are able to have a direct line to customers for millions of units per year by keeping this merchandise within the URBN ecosystem. Reclectic is proof that delivering for our customers and aligning with the principles of circularity are not mutually exclusive. The thrill of the hunt isn't just about scoring a great deal, it's about giving a great product a second life.




***"Reclectic serves our customers and our business. We provide a retail experience rooted in discovery, experimentation, and excitement. While we surprise and delight our customers with a constant flow of overstock and secondhand merchandise, we're also addressing a real business need, while simultaneously delivering on our impact goals."***

—Kevin Dorfmeyer
*URBN Executive Director of Strategy, Corporate Development & Closeout Operations*

## Nuuly's Research on Consumer Behavior and Environmental Impact Shows Rental is Here to Stay

Nuuly's rapid growth since its 2019 launch has demonstrated that subscription clothing rental is transforming how customers approach fashion, but we wanted to go deeper. In 2025, Nuuly set out to better understand subscriber consumption habits and mindsets around sustainability. Through a subscriber survey and environmental modeling, we now have the most comprehensive view to date of the changing relationship consumers have with their closets and how Nuuly is at the forefront of this evolution.

The resulting report, published on **Nuuly's website**, shows how rental has fundamentally shifted consumer behaviors and attitudes towards consumption, making consumers more mindful in a multitude of ways, including what they're spending, what materials they're investing in, and how they're impacting the environment.

Significantly, we found that Nuuly subscribers (affectionately called "Nuulyers") are more intentional with their purchases outside of Nuuly, and when they do purchase they are more likely to purchase quality staples and basics made from more durable materials. In fact, 85% of subscribers surveyed report buying clothing from fast fashion brands less often as a result of Nuulying, with 62% saying they buy fast fashion far less often.

Further, as a part of the process, Nuuly developed a peer-reviewed dynamic data model to assess the lifetime $CO_2$ and water footprint of three garment types available to rent (jeans, occasion dresses, and puffer jackets) and normalized those impacts across the average number of wears. This Impact Model provided key takeaways, including:

- Shared ownership through rental contributes to higher utilization for Nuuly garments. Nuuly garments are typically worn more than the purchased alternatives across their lifecycles.
- Though the transportation of rental garments is a major contributor to rental impact, the average Nuuly jeans, occasion dress, and puffer jacket have lower carbon and water impacts per wear compared to the average purchased alternatives.






### Nuuly Subscribers Say the Platform has Made Them More Intentional in their Fashion Choices

*"My subscription with Nuuly coincided with a concerted effort to consume less. And Nuuly has helped me keep my wardrobe fresh while making less of an environmental impact."*

*"I feel less pressure to buy new outfits for work and special events. I like the flexibility of renting quality outfits from Nuuly. I feel more sustainable than if I had to always buy outfits for those needs."*

*"I feel that my closet is much more sustainable with Nuuly. I buy less clothing and really use the items I rent. I previously found myself buying clothing and only wearing it a few times before donating it, the fabric wearing down, or it just sitting in my closet unused."*

# UTILIZE BETTER MATERIALS

| PILLAR | CATEGORY | GOAL | YEAR | STATUS | SUBSTANTIAL PROGRESS NOTES |
|---|---|---|---|---|---|
| Planet | Utilize Better Materials | **80% of URBN Direct-Sourced Fabrics will be from ZDHC Compliant Mills** | 2028 | On Track | We are working with fabric mills to exceed our previous goal on ZDHC compliance within the next two years. |
| Planet | Utilize Better Materials | **60% of URBN Direct-Sourced Raw Materials will be Sourced More Responsibly** | 2030 | On Track | In the last year, 38% of direct-sourced raw materials were preferred materials. |
| Planet | Utilize Better Materials | **Increase opportunities for Regenerative Materials in our Products** | 2030 | On Track | Anthropologie continues to evolve our regenerative cotton program with each new collection. Our latest drop is made with 100% Regenagri®-certified cotton and certified natural mineral dyes, representing another step forward in our commitment to more responsible products. |

# Anthropologie Furthers Its Commitment to Regenerative Agriculture

This year, Anthropologie Group continued to advance its commitment to better materials while deepening its support of the regenerative agriculture movement. Alongside our work to incorporate better materials into our products, we partnered with Kiss the Ground, a nonprofit that champions regenerative agriculture and healthy soil as solutions to climate change, water scarcity, and human wellness.

## Q&A with Evan Harrison, CEO of Kiss the Ground



**Q: As more brands explore regenerative cotton and other agricultural solutions, what excites you most about the opportunity for the fashion and home industries to help accelerate positive change?**

**A:** What I find really exciting is that people are becoming more aware and intentional about what they put on their bodies. Just as we're seeing a greater connection between gut health, our overall health, soil health, and the food we eat, we're also seeing people ask where the materials in their clothing and their housewares come from and how they affect their health.

Fashion has always helped lead cultural shifts and change, so it's exciting to see more brands taking the opportunity to talk about the sourcing of their materials, with regenerative cotton at the heart of that. The same shift is happening in our homes, too. We're paying closer attention to everything from the products we cook with to the materials we surround ourselves with every day.






When brands talk about the connection between soil health and the things we eat and the products we use, it puts the subject at the forefront and accelerates the Regenerative Movement.

**Q: Partnerships can take many forms. As you reflect on our work together over the past three years, how has combining financial support, awareness-building, community engagement, and advocacy helped advance Kiss the Ground's mission?**

**A:** As a nonprofit, we're entirely reliant on the generosity of donors, foundations, and aligned companies that believe in our mission, our integrity, and the work we do. When Anthropologie and Terrain first approached us, they weren't interested in just making a donation; they wanted to educate their community in a meaningful and responsible way. That's exactly the kind of partnership we're looking for.

Their support has helped raise over $600K, contributing to the transition of tens of thousands of acres toward regenerative agriculture, which is incredibly meaningful. Just as importantly, their ongoing annual commitment gives us the stability to plan strategically and effectively engage more people with our storytelling.

We've also been inspired by how they've enlightened their own community. Audience participation in their Round Up campaigns during Earth Month has continued to grow year-after-year, with 37% of shoppers participating in 2026, and has not only contributed meaningful donations to Kiss the Ground, but also really shown what's possible when a brand brings its customers into the conversation.

**Q: As more organizations explore regenerative agriculture, what is one piece of advice you would share from your work with brands on how to create lasting and meaningful change?**

**A:** The most important thing is to bring more stakeholders into the conversation.

At Anthropologie and Terrain, we started with just a few team members, and over time we've built relationships across multiple teams. As more departments and individuals bring their own perspectives to the work, it becomes more embedded in the company and takes on new meaning. Those different vantage points are what create a strong partnership and lasting impact.

**Q: Looking ahead, where do you see the greatest opportunity for partnerships like ours to continue driving impact for farmers, communities, and the future of regenerative agriculture?**

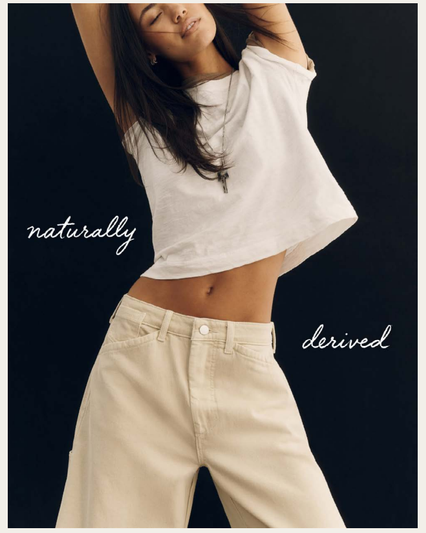
**A:** Three years ago, only 4% of U.S. adults understood regenerative agriculture. Today, thanks to partnerships like ours, that number has grown to 13%.

People look to brands they trust to help them understand the issues that matter. When companies like Anthropologie and Terrain consistently share the importance of sourcing our food and our fiber in a responsible way, they help move the conversation forward.

The greatest opportunity is to keep weaving regeneration into the fabric of the brand and to keep amplifying the message. Every touchpoint is another chance to inspire people and build awareness, and that's something that Anthropologie and Terrain have done very successfully.

## PILCRO








### THE PILCRO REGENERATIVE COLLECTION

For the third consecutive year, Anthropologie offered a regenerative cotton collection with in-house denim brand Pilcro. This year's capsule used 100% Regenagri®-certified regenerative cotton and natural dyes designed to help reduce chemical and water usage. Focused on reimagining customer-favorite silhouettes through a more thoughtful lens, the collection demonstrated how style, creativity, and more responsible material choices can come together in ways that resonate with customers.

# REDUCE WASTE

| PILLAR | CATEGORY | GOAL | YEAR | STATUS | SUBSTANTIAL PROGRESS NOTES |
|---|---|---|---|---|---|
| Planet | Reduce Waste | **Have Pathway to Resale For 100% of Eligible Returns** | 2030 | On Track | As of August 2026, 95% of returns are resold at retail. |
| Planet | Reduce Waste | **Replace 95% of Owned Fulfillment Plastic Void Fill with Paper** | 2030 | On Track | |
| Planet | Reduce Waste | **Increase Average Package Fill Rate From a FY27 Baseline** | 2030 | On Track | Teams are currently calculating a baseline fill rate for future reporting. |
| Planet | Reduce Waste | **Replace 500,000 Bottles and Cans Annually with Beverage Dispensers** | 2030 | On Track | We are currently averaging up to 61,000 bottles/cans replaced per month. |
| Planet | Reduce Waste | **Explore Material Alternatives for Flat and Bubble Mailer Bags for Manual Bagging** | 2030 | On Track | |
| Planet | Reduce Waste | **Explore Material Alternatives for Flat and Bubble Mailer Bags for Auto-Bagging** | 2030 | On Track | |
| Planet | Reduce Waste | **Explore and Pilot Non-Virgin Plastic Polybags for DTC Packaging** | 2030 | Achieved | |

# REDUCE WASTE *continued*

| PILLAR | CATEGORY | GOAL | YEAR | STATUS | SUBSTANTIAL PROGRESS NOTES |
|---|---|---|---|---|---|
| Planet | Reduce Waste | **Develop a Recyclable Swift Tag** | NS* | On Track | Teams continue to look for swift tag alternatives including string, twine, and plant-based fibers. |
| Planet | Reduce Waste | **Increase Utilization of 3D Visualization Software to Reduce Samples and Textile Waste** | NS* | On Track | 40% of Ownbrand apparel styles created using 3D visualization and digital product creation. |
| Planet | Reduce Waste | **Expand Recycling Opportunities to Reduce Packaging and Textile Waste to Landfill** | NS* | On Track | This year, through our partnership with WM, we have recycled 135,704 lbs of plastic polybags. Through our partnership with FabScrap, we have recycled 43,000 lbs of textile waste. |

**Not specified*

## From Return to Resell: How Efficient Logistics Keep Returns Out of Landfills




E-commerce has fundamentally shifted how people shop, making products more accessible and providing more curated, personalized experiences for customers. But the rise of e-commerce has also brought the rise of returns. This problem is especially true in fashion, with customers using their living rooms as their fitting rooms. According to the National Retail Federation (NRF), US retail returns hit nearly $850 billion in 2025. Capital One Shopping research pegged the e-commerce return rate at 24.5% compared to 8.7% at brick-and-mortar.

Over 95% of URBN returns come back in "first sale" condition, meaning they show no signs of wear and can easily be repackaged and sold to the next customer. Unfortunately, reverse logistics can be slow and cumbersome, and the longer a product sits in transit and processing, the more likely it is to lose its value and end up in waste streams like liquidation or landfill instead of back on the virtual rack. So our team set out to solve the most pressing issue in return logistics—speed.

URBN engineers narrowed in on three key factors critical to returns success:

- **Location**
- **Expertise**
- **Automation**

### Location

As of 2024, 99% of returns are processed through our Kansas City fulfillment center, KC1. This centralized hub means a return can reach the facility from almost anywhere in the continental United States in under three business days, greatly reducing transit times.

### Expertise

Kansas City is also home to our dedicated Returns Department, where associates follow a detailed rubric to inspect returns, determine salability, and move the product on to the right channel. Ensuring returns come back to a team who is skilled in their assessment helps reduce the amount of time a return needs for the most time-intensive portion of reprocessing.

### Automation

Once a return has been cleared for sale, it can easily be placed back into inventory. KC1's 12 miles of fully-automated conveyance ensures the item can be efficiently restocked where it needs to be for the next order. And KC1's emphasis on automation means that when the next order is placed, the item can be shipped out in under 15 minutes.

The result? Returns are often processed and available for purchase in seven days or less. Through efficient reverse logistics, we are ensuring our products find their way to customers, not landfills.

## Hanging On: How Nuuly Responsibly Upgraded 4 Million Hangers

In 2026, Nuuly upgraded the infrastructure at our Kansas City distribution center to increase efficiency and support growth. This upgrade automated sorting units into orders, what was once a time-consuming manual process. However, the automated sorter requires a special kind of custom-designed hanger, rendering the old hangers obsolete.

As a part of Nuuly's commitment to be gentler on the planet, the team set out to redistribute the hangers to organizations that could benefit from them. After significant research and conversations, Nuuly found a partner in Goodwill, the US-based charitable organization known for its thrift stores. Nuuly worked with four regional Goodwill organizations—Arkansas, Great Plains, MERS Missouri, and New York/New Jersey to strategically redistribute the 4 million hangers to maximize utilization. Nuuly facilitated the transportation of all hangers to the appropriate warehouses and headquarters.

**Donating these highly durable hangers kept approximately 600 tons of plastic and metal waste from going into a landfill**

# INCREASE CLEANER ENERGY

| PILLAR | CATEGORY | GOAL | YEAR | STATUS | SUBSTANTIAL PROGRESS NOTES |
|---|---|---|---|---|---|
| Planet | Increase Cleaner Energy | **Report Scope 1, 2, and 3 Carbon Emissions in Alignment with the GHG Protocol** | 2028 | | We have completed our Scope 1 and 2 footprint which will be reported by the end of 2026. We have begun initial calculations for our Scope 3 emissions and continued Scope 1 and 2 footprints. |
| Planet | Increase Cleaner Energy | **Ensure 100% of New URBN Stores, Offices, and DCFCs are Outfitted with LED Lighting at Opening** | NS* | On Track | |
| Planet | Increase Cleaner Energy | **Replace all non-LED Fixtures with LED at end of Useful Life Across Stores** | NS* | On Track | |

## LED Lighting Brings Operational & Environmental Benefits

LED lighting is proven to be significantly more energy efficient and environmentally conscious than traditional fluorescent or incandescent lights. URBN has invested heavily in retrofitting existing facilities, stores, and offices with LED lighting, as well as ensuring all new buildings are 100% LED.

In North America, we are exclusively using LED lighting in:

- 100% of Facilities
- 100% of Offices
- 60% of Stores*

Recently, URBN underwent a full conversion in three of our distribution and fulfillment centers, upgrading 12,000 fixtures to LED for an annual savings of 4.3 million kWh and avoiding 2,741 metric tons of $CO_2$ emissions each year. That's the equivalent of:

- Taking 591 gas-powered vehicles off the road for a year
- Planting 45,682 trees
- Recycling 948 tons of waste

**Approximate number which represents planned & completed conversions and new builds. End-of-life fixture conversions are not tracked and not included in this number.*
*NOTE: Data was derived using the EPA's Greenhouse Gas Equivalencies. Calculations utilize benchmarks of approximately 0.637 metric tons of CO2 for every MWh, 4.64 metric tons per car, 0.06 metric tons per tree sapling, and 2.89 metric tons of CO2 for each ton of waste diverted through recycling.*

**Not specified*



# RESPECT OUR PEOPLE

At URBN, we are committed to the people, culture, and communities that make up our global operations, from our stores to our supply chain. Whether through vendor engagement initiatives, employee development programs, or volunteering in our local neighborhoods, we believe operating responsibly and ethically drives our creativity and success.

- CULTIVATE COMMUNITY
- IMPROVE SUPPLY CHAIN TRANSPARENCY

# CULTIVATE COMMUNITY

Making our offices, stores, and facilities welcoming places to work is integral in keeping our employees engaged, fulfilled, and operating at their best.



## 10 Employee Resource Groups

with 35% workforce* participation

Each year

## over 115 Managers

*are completing one of URBN's new Leadership Development programs*

*To date, URBN has converted*

## 37% of Interns & Co-Ops to Full-Time Roles



milkmate

*lactation room systems have saved employees*

## over 236 Hours

*in lost productivity this year*

URBN x Creatives Want Change

## Provided 157 Scholarships

*to aspiring Fashion Designers and Merchants via Creatives Want Change since the start of our partnership*




## 12 Volunteer Paid Time Off* Hours

*per year*




Partnered with

## 24 Charities

and donated nearly

## $2 Million

*Almost*

## 1,600 Field Employees

have transitioned to Home Office roles over the last 15 years

**Home Office Employees only*

# CULTIVATE COMMUNITY

## Anthropologie Celebrates Art through Arts Education

This year, our commitment to Arts Education is on track to surpass $2 million in total investment in YoungArts through corporate donations and customer round-up contributions. Beyond these efforts, we're proud to support emerging artists through the Leading with Creativity Award, which provides five YoungArts alumni artists with an unrestricted $10,000 grant, product development opportunities, and exclusive mentorship moments. In 2025, our third class of award winners brought their creativity to life through a gallery wall collection created for our customers, learning directly from our Home Team as they developed their work and shared it with a new audience. Stay tuned for our fourth class of Leading with Creativity winners, whose products are launching later this year.










## Meet 2025's Leading with Creativity Award Winners

**Sahara Clemons** is a multimedia artist and designer based in New York City. She revels in the fluidity of artist mediums and interweaves painting, textiles, and dance in her creative process.

**Raima Chowdhury** is a Bengali fine artist based in Jackson Heights, NY. She specializes in oil painting and her preferred painting style is that of naturalism and realism, inspired by the age-old painting traditions of post-Romanesque Europe.

**Jordan Tiberio** is a photo-based artist living in Brooklyn, NY. She has coined her work as "the odd in the ordinary" where mundane, everyday objects and landscapes come to life in beautiful displays of light and color.

**Mark Fleuridor** is a visual artist who explores storytelling through painting, quilting, collage, and pattern making. Through his art practice, he seeks to better understand his own memories and family narrative.

**Sonia Romero** is a Los Angeles-based artist whose work bridges fine art and public art, engaging deeply with the cultural and social fabric of her community.





## Nuuly Partners with KC Current and United Way of Greater Kansas City

Nuuly donated over 80 prom dresses to the Cristo Rey High School for a "say yes to the dress" style event to help students get ready for prom. The event, hosted by KC Current players, helped inspire confidence in the young women who attended, empowering them through fashion.

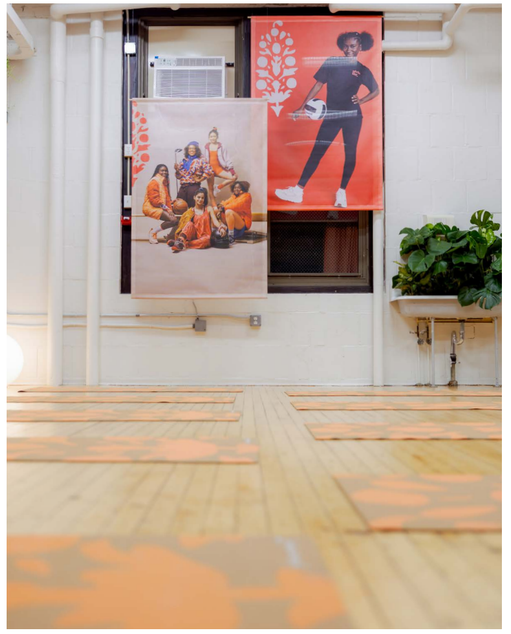
# CULTIVATE COMMUNITY

## Free People Opens the Girls, Inc. Free to Be Me Wellness Center

For 10 years, Free People and FP Movement have supported Girls, Inc.'s mission to inspire all girls to be strong, smart, and bold. The brand and the nonprofit have developed a true partnership, activating FP's commitment to community engagement and holistic wellness to benefit an organization that is making a deep and lasting difference in the lives of girls and women.

Over the course of the partnership, FP has hosted over 90 events for Girls, Inc., offered eight Girls, Inc. girls internships at FP's Home Office, and invested over 3,300 hours in mentorship programs. In 2024, we decided we wanted to invest in something that would be more evergreen and lasting for Girls, Inc. Philadelphia and South Jersey, the local Girls, Inc. chapter to our Home Office. Over the course of several months, teams from FP and Girls, Inc. brainstormed, designed, and planned a space for Girls, Inc. girls that could nurture their minds and bodies—the Free to Be Me Wellness Center in Philadelphia.






Located in the historic Bok Building, the Free to Be Me Wellness Center is an open and welcoming space that offers an opportunity for girls to meditate, journal, try out group yoga and wellness classes, participate in an art class, or challenge themselves in one of many workshops offered in the space.

Free People is deeply invested in celebrating women and girls and encouraging them to reach their full potential. The Free to Be Me Wellness Center is a testament to that.



FREE PEOPLE for movement ♡ girls inc.®

# CULTIVATE COMMUNITY

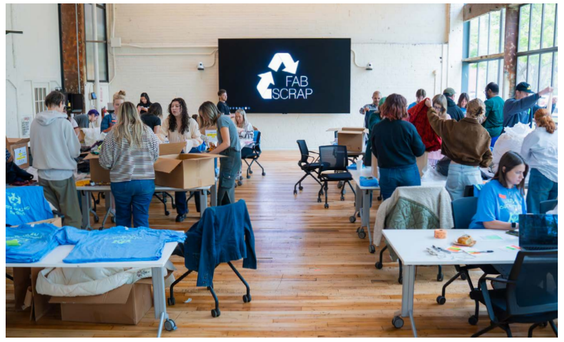
## UO Invigorates Employee Engagement Through Volunteer Paid Time Off Programs

UO's social impact work is grounded in three focus areas that reflect the issues and opportunities important to the UO community:

1. **Mental Wellness**
   Supporting organizations and initiatives that help young people feel seen, supported, and connected and that promote wellbeing and belonging.

2. **Youth Arts & Education**
   Supporting access to creativity, education, mentorship, and opportunities for emerging voices and the next generation.

3. **Community**
   Investing in organizations and initiatives that strengthen the communities where our customers and employees live, work, create, and connect.









Core to this strategy is creating opportunities for employees to participate directly in the work of our nonprofit partners. In 2026, UO relaunched its Volunteer Paid Time Off (VPTO) program, creating dedicated opportunities for employees and leaders to step away from their day-to-day work, connect across teams, and serve their communities.

The program launched during Earth Month with long-standing partner FabScrap, where more than 50 employees and leaders contributed 100 volunteer hours supporting textile sorting and reuse. UO complemented employee service with a $10,000 direct contribution and $58,764 in customer cashwrap donations.

During back-to-school, UO partnered with Philabundance and its Summer Lunchbox Program. More than 30 employees and leaders contributed approximately 100 hours of service, while UO contributed $25,000 directly and customers raised $147,390.

Together, the relaunched VPTO program engaged 80+ employees and leaders in approximately 200 hours of service, while connecting employee action with customer participation and direct UO support.








# CULTIVATE COMMUNITY

## URBN Employees Rolled Up Their Sleeves at ACHIEVEability's Annual Impact Day

URBN has been a dedicated supporter of ACHIEVEability for over a decade, committed to supporting the people of our shared hometown, Philadelphia.

In 2024, we expanded our support by serving as the presenting sponsor of ACHIEVEability's first-ever Impact Day, an opportunity for volunteers and residents to join together to help revitalize West Philadelphia. The program is squarely in URBN's wheelhouse. We are known for our ability to create inviting, beautiful spaces, which is the exact expertise ACHIEVEability needed as they set out on their ambitious revitalization program. Beyond critical financial and in-kind support of over $200,000, URBN enlisted skilled labor partners and over 150 volunteers to clean up 10 city blocks, and spruce up 50 residences and 6 small businesses.

Now in our third year, the URBN and ACHIEVEability partnership has grown. For the 2026 Impact Day, URBN donated nearly $300,000 in cash, products, and services and over 2,000 employee volunteer hours to help continue driving the transformation of West Philadelphia. The increase in support and power resulted in over 60 homes being revitalized, over 100 flower box planters filled and placed throughout the neighborhood and over 13 full city blocks weeded, cleared, and cleaned.

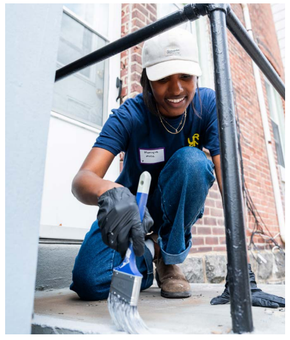
The URBN/ACHIEVEability partnership not only showcases URBN's deep commitment to the place we call home, it exemplifies how corporations and charities can collaborate to make meaningful, lasting change.





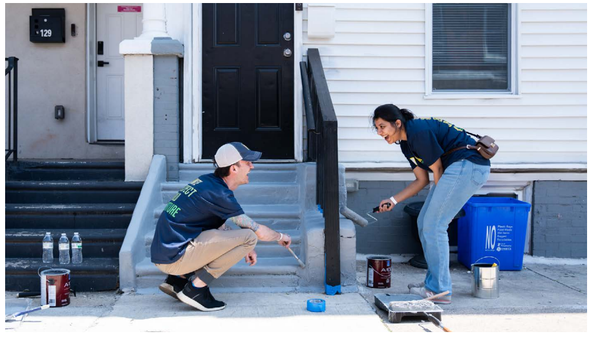












# CULTIVATE COMMUNITY



"As someone raising the next generation of girls while also building a career, I feel strongly about the importance of creating spaces where women feel supported, seen, and encouraged. I am so proud to be a part of URBN's robust ERG community."

— Kate Haldy
*URBN WMN Employee Resource Group Executive Sponsor*



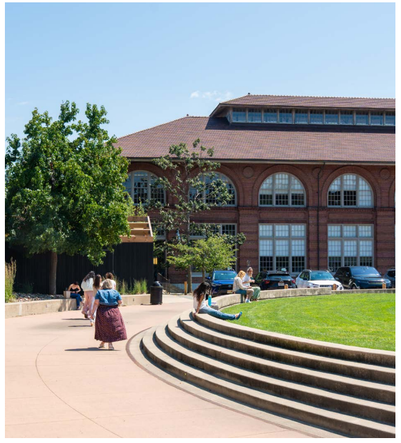
"Three years into Impact Day, and I'm proud of what we've accomplished and energized by the work we can continue to do to support our neighbors in West Philadelphia. Impact Day is something our entire community really rallies around and I value being able to take part in it."

— Justin Patrick
*URBN Impact Day Volunteer Lead*




"MilkMate was a game changer for me when I returned from maternity leave. It was really meaningful to have my company not only make the logistics of pumping easier, but to ease some of the mental load that comes with returning to work."

— Meaghan Condon
*URBN Employee & Mom*



"Since our customers are the core of our business, the insight I gained from working at a brick-and-mortar location has helped me bring a unique perspective to my corporate career. Understanding consumer behavior and foundational business practices from this lens has been useful knowledge I have applied to various Planning & Allocation roles and been able to share with team members who lack a similar background."

— Anna Jurkovec
*Former Field Employee and Current Home Office Employee*

# IMPROVE SUPPLY CHAIN TRANSPARENCY

Before any product reaches our Distribution Centers or store shelves, it is carefully crafted, packaged, and inspected by various people. We take human rights very seriously; respecting the people across our company, vendors, and partners is a main focus of our team and core to our Respect our People pillar. To have the most positive impact on the workers across our supply chain, we must have greater visibility of our suppliers, beyond the final manufacturer. We are working on gaining that visibility, ensuring our products are manufactured responsibly, and building real connections with those who are integral to bringing our creative ideas to life.

## Social Responsibility Training

We previously partnered with BSR (Business for Social Responsibility) to develop Human Rights Due Diligence training, which we continue to adapt and deliver to our key suppliers. This training helps us to educate our suppliers on how to identify and prevent human rights issues at the factory level.

We also partner with our internal buying and production teams, to educate them on better buying principles, to mitigate risks of forced labor and other human rights issues.

## Supplier Risk Scoring

We established a supplier risk scoring program that allows us to prioritize due diligence, mitigate risk, and inform our Sourcing, Production and Buying teams' purchasing decisions.

We will roll this tool out to more internal teams this year, better informing more business decisions related to our suppliers. We plan to integrate this tool into a comprehensive vendor scorecard for our internal teams.

## Supply Chain Mapping

Product-level traceability has proven to be our most effective method of gaining visibility into our supply chain. This granular approach yields actionable insights and is now our standard framework for ongoing mapping efforts. We have successfully broadened the scope of this project, expanding our visibility beyond apparel to fully integrate our most popular home and footwear lines.

## Digital Compliance Infrastructure

This year, URBN launched a to improve our digital compliance infrastructure and streamline the collection of critical supplier and product data. By centralizing compliance data, we are deepening our supply chain visibility and generating actionable insights. This elevated transparency strengthens our ability to proactively identify and assess modern slavery risks across our vendor base. Moving forward, URBN will manage core Social Responsibility risk assessment and due diligence processes through this system. Ultimately, this enhanced digital infrastructure empowers data-driven decision-making, allowing us to drive a more positive and measurable impact across our supply chain.

## Supply Chain Mapping: Maeve Mabel Boxy Oxford Shirt Case Study

In 2024, we began mapping the supply chains of our most popular products. In 2026, we completed tracing for Anthropologie's Maeve Mabel Boxy Oxford Shirt. The garment has eight distinct components, each with a unique flow of materials and vendors. Since cotton is the garment's primary component, we started there.

*Maeve Mabel Boxy Oxford Shirt Production Process:*

**Cotton Farm**
*US Cotton/Brazilian Cotton*

↓

**Spinner**
*Hong Kong/Indonesia*

↓

**Fabric Weaving**
*Indonesia*

↓

**Fabric Dyeing**
*Indonesia*

↓

**Fabric Trader**
*Hong Kong/Indonesia*

↓

**Final Product Manufacturing**
*Indonesia*



# IMPROVE SUPPLY CHAIN TRANSPARENCY

## Social Compliance Audit Program

URBN takes its commitment to Responsible Sourcing seriously, and we insist that our business be conducted according to the highest ethical standards. Our Vendor Code of Conduct and Responsible Sourcing Policy, Human Rights Policy, and Modern Slavery Statement represent these standards. Through this program, we have set requirements for all our suppliers to ensure workers' rights are protected, working conditions are safe, and our products are manufactured in a manner that ensures our values and our customers' values are respected.

We audit the factories that produce our goods to ensure they are meeting or exceeding our standards. These third-party audits help us to ensure workers are being paid fairly, there is no use of forced or child labor, and working conditions are safe and in compliance with local law. These audits consist of a thorough in-person review of the facility, document review, and worker interviews.

As part of our 2025 Social Compliance Audit program, we reviewed audits from over 200 of our vendors. This includes the vendors who produce over 85% of the volume of URBN's Ownbrand product. While our Ownbrand vendor base is where we can have the most impact and influence, we do not stop there. We also required our key Market vendors to share social compliance audits to ensure that all our vendors share our values and are continuously upholding their commitment to responsible sourcing.

## New Vendors

In addition to our annual audit program, we incorporate a Social Responsibility review in our onboarding process. Before we will onboard a new Ownbrand vendor, we review a recent third-party audit or conduct a new third-party audit to ensure the factory is aligned with our Social Responsibility standards. We will not begin working with a new supplier until we are confident that they are able to consistently comply with our Vendor Code of Conduct.

## Policies

- Modern Slavery Report
- URBN Code of Conduct and Ethics
- Human Rights Policy
- Vendor Code of Conduct and Responsible Sourcing
- California Transparency in Supply Chains Act
- US Foreign Corrupt Practices Act/UK Bribery Act and Global Anti-Corruption
- Vendor Terms of Purchase Agreement
- URBN Forced Labor Statement

# GOVERNANCE

Strong oversight and ethical business practices ensure environmental and social responsibility remain embedded across our business. We have active oversight from our Board of Directors, including financials & controls, governance, compliance, business ethics, and strategy. Here, we provide a summary of our key governance areas. Comprehensive policies and practices can be found in our Corporate Governance Guidelines.

## Board of Directors

Our Board of Directors represents our shareholders and advises our management team. We are committed to maintaining a high-functioning, independent Board. Currently, 30% of our Board members are female, and all non-executive directors are independent. Our core Board committees—Audit, Compensation & Leadership Development, and Nominating & Governance—are comprised entirely of independent directors.

## Impact Committee

To ensure our environmental and social commitments turn into action, URBN maintains a dedicated Impact Committee. Co-chaired by our Chief Sourcing & GTC Officer and Chief Administrative Officer, the Impact Committee is responsible for setting our sustainability policies, tracking progress against our goals, and maintaining direct oversight of our key impact initiatives.

The Impact Committee reports to the Board of Directors at least annually and operates through a highly engaged Working Group comprised of operational leaders. This Working Group focuses on three primary areas:

- **Environmental & Social:** Driving our "Respect our Planet" and "Respect our People" initiatives, including our investments in circularity, waste reduction, and community partnerships.
- **Data Privacy & Security:** Safeguarding our customers' information, with a dedicated task force that reports directly to the Audit Committee.
- **Governance:** Ensuring strict alignment with evolving corporate regulations, compliance standards, and ethical business practices.

## Responsible Business And Sourcing

### URBN Code of Conduct and Ethics

| TRANSPARENCY | AUTHENTICITY | RESPECTABILITY |
|---|---|---|
| All-encompassing policies protecting our employees, our investors, and our consumers | Commitment to customer privacy, security, product quality, and all areas that impact our reputation | Treating our employees, and our consumers ethically, and creating space to ask questions and comment without fear of retribution |

# GOVERNANCE continued

## DATA PRIVACY & SECURITY

Customers trust us not only to deliver products they love but to safeguard their personal information. Protecting our systems and our customers' data is a critical component of our corporate governance and our commitment to our community. URBN continuously invests in advanced security practices so that we can manage our customer and corporate data responsibly.

### Rigorous Board Oversight

Cybersecurity and data privacy are treated as critical enterprise risks. Our Chief Information Security Officer (CISO) and Information Technology leadership team provide regular updates to the Audit Committee of the Board of Directors. These briefings cover the evolving cyber threat landscape, the status of our security initiatives, incident response readiness, and compliance with global privacy regulations. This direct line to the Board ensures that data security is prioritized at the highest levels of our business.

### Robust Defense and Compliance

We employ a comprehensive strategy to protect our networks, systems, and customer data against unauthorized access and emerging cyber threats. We also regularly engage independent, third-party experts to conduct penetration testing, vulnerability assessments, and security audits to ensure our defenses remain highly resilient. URBN also partners with government organizations and industry associations to share intelligence and quickly respond to emergent threats.

### Data Privacy & Breach Notifications

URBN is subject to varying local, national, and international data privacy laws. URBN intends to comply with those applicable laws and has appointed a Global Data Privacy Officer to oversee those efforts. URBN continuously monitors our digital infrastructure and maintains compliance with global data privacy regulations, including the California Consumer Privacy Act (CCPA) and the General Data Protection Regulation (GDPR). URBN policy is to minimize retention of personal information to the maximum extent possible consistent with the legitimate and reasonable needs of its business. In the event of a URBN data breach, URBN is committed to notifying impacted customers and/or appropriate government entities in accordance with applicable law without unreasonable delay and in all events within the time period specified by applicable law.

### A Culture of Security Awareness

Technology alone is not enough to protect data; it requires the vigilance of our entire workforce. We have integrated data privacy and cybersecurity into our corporate culture. All corporate employees are required to complete annual data security awareness training. We also conduct ongoing phishing simulations and internal educational campaigns to ensure our teams are equipped to identify and report potential security threats in their daily operations.

# ABOUT THIS REPORT

In this report, we provide an overview of URBN's Corporate Social Responsibility (CSR) efforts. We disclose our ambitions, the key actions we are taking to deliver on those ambitions, and our progress to date. While this report will highlight and discuss those steps we've already taken, and the achievements we are proud of, we recognize that we are at the beginning of our journey in environmental sustainability and social responsibility. URBN has always been committed to authenticity in all areas of our business, and we recognize that there is no finish line. This report is our biggest step to date in our journey, providing our customers, employees, and shareholders with details around our commitments for the environment and our people. We will continue to strive for progress, not perfection, in bringing our products to market in the most sustainable and responsible manner possible.

This CSR report contains certain forward-looking statements based on URBN's current assumptions and expectations. Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information provided in this report. Given the uncertainty in the global retail environment as well as the global supply chain, future results could differ materially from our goals, current descriptions, estimates and suggestions. Any statements regarding goals or future estimates or suggestions are not intended to constitute any representation, warranty, or other assurance. These statements are typically accompanied by the words "aim," "anticipate," "believe," "commit," "could," "drive," "estimate," "envision," "ensure," "goal," "intend," "may," "might," "mission," "seek," "strategy," "strive," "target," and "will" or similar words and phrases.

All of our forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward-looking statements, our actual results could differ materially. These forward-looking statements are based largely on our expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. These risks include, but are not limited to, those identified in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Form 8-K reports filed with the Securities and Exchange Commission.

The information contained in this CSR report is also subject to the precision of our data collection and analysis methods, which are subject to future evolution and calibration. Such information is subject to additional uncertainties, as there are limitations inherent in the data collection and analysis methods. While we consider information from external resources and consultants to be reliable, we do not assume responsibility for its accuracy. Additionally, all numbers referenced are subject to the quality and comprehensiveness of the reporting received by the Company from internal and external sources, and therefore, are approximate and/or estimated values. It is also important to note that the availability of data varies from section to section in this report.

URBN cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in this and other reports carefully in evaluating the forward-looking statements in our reporting. The forward-looking statements in our reporting are made as of the date they are made, and we undertake no obligation to update these forward-looking statements to reflect new information, subsequent events or circumstances or otherwise.

# GLOSSARY OF TERMS

**Circularity:** A circular economy keeps materials, products, and services in circulation for as long as possible. It is an economy that uses a systems-focused approach and involves industrial processes and economic activities that are restorative or regenerative by design, enables resources used in such processes and activities to maintain their highest value for as long as possible, and aims for the elimination of waste through the superior design of materials, products, and systems (including business models). It is a change to the model in which resources are mined, made into products, and then become waste. A circular economy reduces material use, redesigns materials, products, and services to be less resource intensive, and recaptures "waste" as a resource to manufacture new materials and products.

**Conveyance:** The conveyor belts and automated tracks in distribution and fulfillment centers that are used to transport our products quickly from one area to another.

**Fast Fashion:** A segment of the fashion industry that is based on mass producing high volumes of low-quality, low-cost clothing.

**Field Employee:** An employee of URBN Shared Services or Brand who works in a store, DC, FC, or other capacity in support of the company.

**Home Office:** URBN's North American headquarters in the Philadelphia Navy Yard.

**Preferred Materials:** Materials sourced with special attention paid to their social and environmental impact, verified through credible third-party standards.

**Regenerative Agriculture:** A holistic approach to farming and land management aimed at working in harmony with nature to restore soil health. Rather than just sustaining current conditions, it seeks to improve soil health, increase biodiversity, improve the water cycle, and potentially draw down carbon from the atmosphere.

**Regenerative Cotton:** Cotton that is grown using the principles of regenerative agriculture.

**Responsible Sourcing:** Responsible Sourcing is a supply chain management practice where companies ensure that the materials, products, and services they acquire are produced in a way that respects human rights, upholds fair labor standards, protects the environment, and maintains ethical governance.

**Retrofitting:** The process of adding new technology or features to older systems or buildings.

**Reverse Logistics:** The complex process of moving goods from their final destination (e.g. the customer) back to the seller or manufacturer, typically for returns, refurbishing, or recycling.

**Value Chain:** The full lifecycle of a product or service, encompassing every step a company takes to create value. This includes design, sourcing raw materials, manufacturing, marketing, distribution, and end-of-life disposal or recycling.

**Virgin Plastic:** Brand new plastic manufactured directly from petrochemicals (like natural gas or crude oil) that has never been used or processed before.