

URBN UK Section 172 Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its stakeholders as a whole. In doing this, section 172 requires a director to have regard, amongst other matters, to the:

- Likely consequences of any decisions in the long-term;
- Interests of the company's employees;
- Need to foster the company's business relationships with suppliers, customers, and others;
- Impact of the company's operations on the community and environment;
- Desirability of the company maintaining a reputation for high standards of business conduct;
- and
- Need to act fairly as between shareholders of the company.

In discharging its section 172 duties, the Board of Directors (the "Directors", collectively the "Board") of URBN UK Limited ("URBN UK" or the "Company") has regard to the factors set above. The Board also has regard to other factors which we consider relevant to the decisions being made, including the interests and views of the Company's customers, employees, suppliers and the Company's relationship with governments, regulators and non-governmental organisations. The Company acknowledges that every decision made will not necessarily result in a positive outcome for all its stakeholders. By considering the Company's purpose, vision, and values, together with its strategic priorities, and having a process in place for decision making, the Company aims to ensure that such decisions are consistent and predictable.

The Board recognizes that culture, values, and commitments are key contributors to how a company creates and sustains value over the longer term. The Company is committed to the encouragement of passion, creativity and entrepreneurial behaviours to provide a unique shopping experience while inspiring and connecting with its customers. It remains dedicated to fostering these key characteristics and behaviours in a collaborative environment that values a healthy work-life balance for employees and allows its various communities to connect and interact both professionally and socially. This culture of excellence and inclusion guides and assists the Board's decision making, and in doing so, helps to promote the Company's success, recognizing, amongst other things, the likely consequences of any decision in the long-term and wider stakeholder considerations. The standards and culture demonstrated by the Board guide the activities and behaviours of the Directors, the Company's employees and others associated with the Company.

As is customary for larger companies, authority for day-to-day management of the Company is delegated to its executives with engagement from management to set, approve and oversee execution of the Company's strategy and related policies. The Board is ultimately accountable to the Company's shareholders for the successful execution of the Company's strategy and for overseeing the Company's financial and operational performance in line with its strategic objectives. The Board actively meets with executives and management and receives regular reports on financial and operational performance,

sales and marketing, new business developments and business conducted. Over the course of the financial year, the Board also reviews other matters including the Company's business strategy, key risks, stakeholder-related matters and governance, compliance and legal matters.

Key stakeholders include the Company's customers, workforce, suppliers, its shareholder and the local communities in which it operates. The views of and the impact of the Company's activities on those stakeholders are an important consideration for the Directors when making relevant decisions. Often, due to the size and spread of both the stakeholders and the Company, stakeholder engagement takes place at the operational or group level in addition to direct engagement by the Board. For details on the different types of engagement that take place with the Company's stakeholders so as to encourage the Directors to understand the issues to which they must have regard, please refer to the Stakeholder Engagement Statement contained in the Director's Report.

During the financial period, the Directors regularly received information to help them understand the interests and views of the Company's key stakeholders and other relevant factors when making decisions. This information was communicated in a variety of formats including in reports and presentations on the Company's short- and long-term financial and operational performance, non-financial key performance indicators, evaluation of risks, and corporate responsibility matters. As a result of this, the Directors have had an overview of engagement with stakeholders and other relevant factors which allows the Board to understand the nature of the stakeholders' concerns and to comply with our Section 172 duty to promote long-term success of the Company and maintain a reputation for high standards of business conduct.

Key Strategic Decisions

For each matter that comes before the Board, the Board considers the likely consequences of any decision in the long-term and identifies stakeholders who may be affected. The Board carefully considers their interests and any potential impact as part of the decision-making process.

During the current fiscal year, the Company announced its investment of £100.6m in its new European distribution facility in Peterborough. The Company completed construction of this facility during fiscal year 2021, with the materials handling equipment to be purchased and installed during fiscal year 2021 for full operation in fiscal year 2022. The distribution center will be highly automated, incorporates robotics and provides the capacity necessary to support the Company's fast-growing retail and direct-to-consumer businesses, as well as its support to its European affiliate companies for many years to come.

Also during the current fiscal year, the Board resolved that the Company would benefit from the re-establishment of the Chief Operating Officer Europe position. The role ensures consistency in practices concerning customers, suppliers, employees and relationships with Company affiliates and other international partners. The Board sees the placement of this role to be a strategic step to ensuring the long-term success of the Company's UK and international businesses. The role was successfully filled by the end of the year with the new COO beginning employment in March 2020.

The Board also supported the execution of a long-term new home office lease, with a subsequent consolidation of multiple London home offices to a newly furnished, state-of-the-art home office at Brick Lane in November 2019. The Brick Lane offices are modeled after the U.S Parent Company headquarters, further aligning the international connection with the U.S. business and providing

additional amenities to UK employees, such as healthy on-site dining options, office sustainability initiatives and employee fitness space. The new home office also allows all departments and functions to reside together in one, collaborative space to further foster creativity and innovation. The final design and function of this new home office was based, in part, on direct feedback from its employees with regard to ensuring both Company and individual employee success.

In December 2019, the Board agreed to allot 1 ordinary share of £1 in the capital of the Company to its direct parent company, URBN International Operations Limited, for cash, at a total subscription price of US\$32m. This cash infusion enables the Company to complete its new distribution facility capital expenditures without disruption to regular business operations and matters.