



## **URBN Modern Slavery Statement**

### **Introduction**

Urban Outfitters, Inc. (URBN) is a leading lifestyle products and services company which operates a portfolio of global consumer brands including the Anthropologie, Free People, FP Movement, Urban Outfitters, and Nuuly brands. Over the last 50+ years, we have inspired our customers through our creative and entrepreneurial approach to products, services, and experiences. Through its various brands, URBN sells a wide variety of goods, including but not limited to apparel, accessories, footwear, and home furnishings.

At URBN, our people are at the heart of what we do. We aim to cultivate a creative entrepreneurial spirit in every employee, empower everyone involved in our supply chain, and always put our customers first. Respecting the human rights of workers in our supply chain is critical to us and we continue to focus on this part of our business. To have the most positive impact, we must have detailed visibility of our supply chain, including the suppliers beyond the final manufacturer. We are working on gaining that visibility, ensuring our products are being manufactured in an ethical manner, and building real connections with those who are integral to bringing our creative ideas to life.

As we engage with our suppliers, we are aware that the risk of modern slavery exists within supply chains in our industry. This joint statement outlines our business processes and policies that allow us to assess, mitigate, and manage the risks of modern slavery, including forced and child labor, in our supply chain. This statement specifically summarizes the steps we took during the 2024 Fiscal Year (February 1, 2023 – January 31, 2024). This statement has been adopted by Urban Outfitters, Inc. and Subsidiaries, and is intended to meet the modern slavery disclosure requirements in multiple jurisdictions: URBN US Retail LLC, Urban Outfitters Wholesale, Inc. and URBN UK Limited pursuant to the California Transparency in Supply Chains Act; URBN UK Limited pursuant to the UK Modern Slavery Act; and URBN Retail Canada, Inc., Urban Outfitters Wholesale, Inc., and Urban Outfitters, Inc. pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act in Canada.

### **Organizational Structure and Operations**

As a retail company, URBN is involved in the distribution and sale of goods in the US, Canada, EU, and UK, among other locales. Goods are distributed and sold through three channels: retail stores, wholesale customers, and direct-to-consumer through our e-commerce platforms. Goods intended for all three channels are imported into the respective regions via URBN's distribution network.

As of January 1, 2024, URBN operated 571 stores in the United States, 29 stores in Canada, 38 stores in the EU and 59 stores in the UK and employed approximately 28,000 people globally.

URBN operates distribution and fulfillment centers in the US and UK to ship goods to retail stores and wholesale customers in the US, Canada, EU, and UK, as well as fulfillment of e-commerce orders worldwide. URBN does not operate distribution and fulfillment centers in Canada. Other than rare

exceptions, goods are typically imported into Canada from the US, regardless of the initial origin of the goods.

URBN is not engaged in the direct production, manufacturing, growing, extracting, or processing of goods or materials. We work with third-party contract manufacturers as part of our global sourcing operation. All goods are purchased as finished products from independent third-party suppliers. All of these suppliers are required to comply with our Vendor Code of Conduct and Responsible Sourcing Policy, among other vendor agreements. Compliance with URBN's responsible sourcing requirements is managed by an internal Social Responsibility team, in partnership with global buying agents, third-party accredited social compliance audit companies, and other service providers.

URBN sources finished goods from numerous countries. Some of the key countries from which URBN sources include:

- India
- Vietnam
- China
- Turkey
- Cambodia
- Philippines
- Indonesia
- United States
- Morocco
- Portugal
- Pakistan

URBN works with a number of third-party logistics providers throughout the supply chain to ship goods to the US, Canada, EU, and UK. These include, but are not limited to, freight forwarders (ocean, air, truck, and rail), transportation providers (ocean, air, truck, and rail), consolidators, de-consolidators, bonded carriers, Customs brokers, and warehouse operators.

URBN regularly evaluates the performance of all third-party logistics providers. In the event that a third-party logistics provider does not meet URBN's standards, including its responsibilities to ensure there is no forced labor in the supply chain, URBN reserves the right to terminate the business relationship.

### **URBN's Responsible Sourcing Policies and Due Diligence Processes**

URBN has always taken its commitment to Responsible Sourcing very seriously and we insist that our business be conducted according to the highest ethical standards. Our [URBN Code of Conduct and Ethics](#), [Vendor Code of Conduct and Responsible Sourcing Policy](#), [Human Rights Policy](#), and [Forced Labor Statement](#) represent these standards and outline the requirements for all of our employees and suppliers to ensure workers' rights are protected and working conditions are safe.

In addition to enforcing our Vendor Policies, which prohibit the use of forced and child labor, URBN's internal Social Responsibility team uses a variety of due diligence measures to ensure that products are not being produced using forced or child labor. We are continuously improving our approach to gaining greater visibility of our supply chain and ensuring that strong due diligence processes are in place. Below summarizes some of the approaches URBN uses to assess, manage, and mitigate the risk of forced or child labor within our supply chain.

## **URBN Policies and Industry Collaboration**

We are very clear with our vendors that we do not tolerate the use of forced labor or child labor. We regularly communicate these expectations to our vendors and reiterate our policies, to which they have all agreed, including our [Vendor Code of Conduct and Responsible Sourcing Policy](#). We also understand that Human Rights issues, like forced labor, require a collaborative approach to improve, and eventually eradicate. We are active members and serve on the Board of the US Fashion Industry Association (USFIA), which allows us to partner with and learn from our peers and stay abreast of the latest news and the challenges our industry is facing. We also participate in a Forced Labor Working Group, comprised of various retail industry associations, which aims to join forces and share ideas and opportunities to address the issue of forced labor. We regularly collaborate with like-minded peers on the best practices and new approaches to manage human rights and forced and child labor risk in our supply chain.

## **Social Compliance Audits**

To hold ourselves and our vendors accountable, our Social Responsibility team regularly engages with suppliers through our longstanding Social Compliance Audit Program. This program provides us with a closer look at where our products are being made and ensures that our suppliers are not using forced or child labor to manufacture our products. We accept various audit frameworks from a list of reputable third-party auditors, if they align with our standards, so that we can avoid contributing to the widespread issue of audit fatigue.

Third-party audits are conducted on an annual basis to ensure our suppliers are consistently meeting or exceeding our standards. These semi-announced 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 all local laws. The audits consist of a thorough in-person review of the facility, document review, and worker interviews. We are made aware of any issues that are identified during the audit, and we work closely with the factory and auditing firm to ensure the non-compliances are addressed quickly and appropriately. We ensure that, when necessary, a Corrective Action Plan is developed to help the factory prioritize its efforts and ensure a realistic timeline is followed. The URBN team refers to the ILO Forced Labor Indicators as a tool when reviewing audits, to ensure we are privy to any issues at the factory that may lead to or indicate forced labor.

As part of our 2023 Social Compliance Audit program, we reviewed audits from over 200 of our vendors. This includes the vendors who produce over 75% 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 have always required our key Market vendors to share social compliance audits to ensure that all of our vendors share our values and are continuously upholding their commitment to responsible sourcing.

## **Remediation**

Many of the issues that are found during a Social Compliance audit can be remediated very quickly—some are even addressed while the auditor is still present. Some of the most common issues found during the audits include minor health and safety issues, or voluntary overtime. “Critical Issues” include any type of forced or involuntary labor, child labor, corporal punishment, and attempted bribery. In the rare instance that one of these critical issues is identified, we take immediate action to stop production at the factory. Depending upon the type of issue found, we may work with the factory to help effectively resolve the issue before further

production may begin. Our goal is to partner with our suppliers to ensure they have the best resources available to foster healthy, safe working environments. If we have exhausted our efforts to remediate the issues at hand, and we continue to see a lack of progress, we may responsibly end our business relationship with a factory.

URBN has a Responsible Exit Strategy that, should any forced or child labor be identified, we may need to implement in order to end an affected business relationship. The Responsible Exit Strategy ensures that impact on workers in the affected factory is minimized and compliance with severance laws is met. Further if any forced or child labor is identified (or any other criminal offences), we will report the incidents to the appropriate local authorities where required, while also supporting any potential victims appropriately, especially if they are in any immediate danger.

### **Onboarding 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 comply with our Vendor Code of Conduct.

### **Assessing and Managing Risk**

The URBN Social Responsibility team regularly conducts risk assessments to effectively prioritize and inform our due diligence processes, as well as our sourcing decisions. This helps us identify which of our suppliers we will monitor more closely for the risks of forced and/or child labor. Several factors are incorporated into the risk assessment, including volume of business and country risk.

### **Country Risk Assessment**

URBN has developed an internal Country Risk Assessment, which is based upon public reports that indicate countries demonstrating a high risk of forced labor, child labor, and/or modern slavery. The reports that were incorporated into the 2023 URBN Country Risk Assessment included: the US Department of Labor's List of Goods Made with Forced and Child Labor; the US Department of State's Trafficking in Persons (TIP) Report; and the Global Slavery Index from the WalkFree Foundation. URBN re-evaluates its Country Risk Assessment annually, ensuring it includes the most current data.

URBN understands that some of the countries from which we source our goods are known to present a higher risk for forced and/or child labor. Suppliers producing goods in these countries are prioritized when it comes to our due diligence procedures. We assess a greater percentage of suppliers that are connected to high-risk countries through both our Social Compliance Audit program and our Supply Chain Mapping program.

### **Commodity Risk**

URBN also understands that certain product categories that we sell, or materials used in those products, may present a higher risk of being associated with forced and/or child labor. Cotton, for example, has been identified as a commodity that may be at risk of being associated with forced labor, if sourced from certain high-risk regions. We have prioritized review of our suppliers

producing cotton goods and have spent additional time engaging with fabric mills to ensure they are not sourcing raw materials from areas of concern.

### **Fabric Sourcing**

URBN is involved in the procurement of fabric for over 70% of its Ownbrand apparel product. URBN's core fabric mills are regularly visited by the URBN fabric team and monitored for compliance related to chemical use, water treatment, and labor. URBN has extensively communicated with these suppliers about the importance of material sourcing as it relates to the risk of forced labor. Having a direct relationship with the fabric mills allows us to closely monitor this tier of our supply chain for forced or child labor risk.

### **Isotopic Testing of Cotton**

In 2023, URBN conducted a pilot program to begin utilizing isotopic testing to verify the origin of cotton in its materials. This additional layer of due diligence allows us to verify the information we receive from our suppliers, and ensure they are upholding their commitment to our Vendor Code of Conduct and Responsible Sourcing Policy. This also acts as a tool to assess and manage risk related to forced labor in the cotton supply chain.

### **YESS Cotton Risk Screen**

To manage the risk of forced labor within the cotton supply chain, URBN utilizes the YESS Cotton Risk Screen in SupplyShift to evaluate its core fabric mills. This is an assessment developed in partnership with Responsible Sourcing Network (RSN), using the principles from the YESS (Yarn Ethically and Sustainably Sourced) program to analyze risk within the cotton supply chain. This tool has allowed URBN to gain a better understanding of the sourcing practices of the fabric mills and prioritize due diligence at this level of the supply chain.

### **Forced Labor in Xinjiang**

As stated in our Vendor Code of Conduct and Responsible Sourcing Policy, and in line with the Uyghur Forced Labor Prevention Act (UFLPA) passed by the US Government, URBN does not source its own products or materials from Xinjiang Uyghur Autonomous Region (XUAR) nor do we permit our vendors to source from XUAR. We will continue to partner with our vendors and conduct ongoing due diligence to ensure products are not sourced from this region.

### **Supply Chain Mapping**

URBN has been working with SupplyShift, a third-party service provider, to map its supply chain, and gain greater visibility to our upstream supply chain. This is a foundational tool we use to evaluate risk and prioritize due diligence within our supply chain. It has allowed us to learn more about suppliers that exist beyond Tier 1 of our supply chain and work toward implementing further due diligence, in partnership with these upstream suppliers. We continue to utilize mapping to dig deeper and improve our overall supply chain traceability, and in turn, manage and mitigate risk.

In addition to mapping the supply chain, URBN has improved its process of collecting manufacturer information in our PLM (product lifecycle management) system, at an order level, to provide a greater level of transparency to where our goods are being produced. We are able to cross-reference these Manufacturer IDs with our Social Compliance Audit program data and our

Supply Chain Mapping program data to ensure there are not any inconsistencies. We have found this process to be very effective in identifying gaps and, in turn, educating our vendors on how to properly disclose manufacturer information to us in a clear and consistent manner.

### **Sayari Graph**

URBN has invested in Sayari Graph, which allows us to verify basic attributes of our suppliers or other third-party partners, look for direct or indirect connections to sanctioned parties or other watch-listed entities or people, and explore potential connections to areas or parties associated with forced and/or child labor risk. This commercial risk intelligence platform is used as a tool to assess overall risk within our supply chain and ensure we are aware of any potential connections to areas that are high-risk for forced labor. One example of how we have specifically used the tool, is to monitor our supply chain for any potential connections to the XUAR in China, which has been identified by the US government as an area of high concern for forced labor, and a region from which we are prohibited to import goods into the United States.

### **Social Responsibility Training**

URBN has engaged its suppliers in webinars, to educate them on URBN's goals related to Responsible Sourcing and reiterate the importance of compliance with the URBN Vendor Code of Conduct and Responsible Sourcing Policy. The URBN Social Responsibility team has also administered internal training to production and sourcing teams, as well as buying teams within our brands, to educate them on important Social Responsibility principles, including the topic of forced labor and how to respond if they suspect or become aware of modern slavery or forced labor. The Social Responsibility team regularly participates in Social Responsibility related training via seminars, working groups, webinars and more. This team also meets regularly with our Production and Sourcing leadership team to share learnings and important updates.

URBN is in the process of implementing mandatory training for our core suppliers, which will include education on the meaning of forced and child labor, and practices that can contribute to potential forced or child labor. The training will also discuss how to prevent and mitigate these risks.

### **Assessing Effectiveness**

URBN has partnered with third-party providers and consultants to review its Social Responsibility controls, with the goal of ensuring that current processes are robust and effective. These consultants have also provided insights into steps we can take to continuously improve our processes to be even more effective in mitigating the risk of forced and child labor in our supply chain. The Social Responsibility team tracks certain key metrics during audit review that will allow us to further measure effectiveness over time.

**APPROVAL**

This Statement was approved by the Board of Directors of Urban Outfitters, Inc. on May 30, 2024; and by the Board of Directors of Urban Outfitters Wholesale, Inc. on May 30, 2024; and by the Board of Directors of URBN US Retail LLC on May 30, 2024; and by the Board of Directors of URBN UK Limited on May 30, 2024; and by the Board of Directors of URBN Canada Retail, Inc. on May 30, 2024.

**URBN UK LIMITED**


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**Director**

**ATTESTATION PURSUANT TO SECTION 11 OF THE CANADIAN ACT**

**“In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.”**

**On behalf of Urban Outfitters, Inc., Urban Outfitters Wholesale, Inc., URBN US Retail LLC and URBN Canada Retail, Inc.**

By:   
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**Full name: Melanie Marein-Efron**

**Title: Chief Financial Officer, Director-Canada**

**Date: May 30, 2024**

**I have the authority to bind URBN Canada Retail, Inc.**

## Appendix

### Glossary of Terms

**Ownbrand:** Product designed, sourced, and manufactured through URBN brands.

**Market Vendor:** A brand selling their product wholesale to URBN brands to be sold in stores or online.

**Semi-announced audit:** Social compliance audit that is carried out within a specified timeframe, without the exact date of the audit being disclosed to the supplier. URBN requires at least a two-week window for semi-announced audits.

### URBN – Apparel & Footwear Supply Chain Tier Definitions

TIER	TITLE	DESCRIPTION	EXAMPLE OF SUPPLIER & RELEVANT ACTIVITIES
<b>Tier 0</b>	<b>Office, Retail, Distribution Centers</b>	Corporate real estate not involved in production process	Retailer’s Distribution Center (distribution of goods)
<b>Tier 1</b>	<b>Finished Product Assembly</b>	Assembly and manufacturing of final products	Garment Manufacturer (cutting and sewing of apparel)
<b>Tier 2</b>	<b>Material Production</b>	Production and finishing of materials (e.g., fabric, trims) that go directly into finished product	Fabric Mill (textile knitting/weaving, preparation, coloration, and additional coloration or finishing)
<b>Tier 3</b>	<b>Raw Material Processing</b>	Processing of raw materials into yarn and other intermediate products	Spinner (spinning fiber into yarn)
<b>Tier 4</b>	<b>Raw Material Extraction</b>	Cultivation and extraction of raw materials from the earth, plants, or animals	Cotton Farm (raw fiber processing)