

“American Eagle Outfitter’s Response”, 18 January 2022

American Eagle Outfitters, Inc. (AEO) is dedicated to the highest level of social responsibility. As part of that commitment, we direct our business relationships to those suppliers, including our sourcing agents, vendors, factories and their own suppliers, who share our vision of ethical and fair working conditions. Per our Supplier Code of Conduct, all suppliers must comply with all applicable laws related to wages and benefits. Workers must be paid at least minimum wage or the prevailing local industry standard, whichever is higher, in a timely manner.

Regarding the situation in Karnataka, India, our position is that the court decision from last September is in force. Accordingly, AEO has informed our suppliers that we expect immediate implementation of the full Legal Minimum Wage and arrears paid by March 2022 of any outstanding amounts.

We have also told our business partners to ensure that overtime wages and other mandatory benefits such as annual leave with wages, Provident Fund, Employee State Insurance contribution, Gratuity, annual bonus etc., are calculated on the revised wage retrospectively from April 2020 onwards and paid to all categories of workers including direct work force, out-sourced workers and any that may have resigned or left employment.

AEO will internally escalate cases if we find suppliers have not taken these actions.