



# Tax Strategy Statement

## Introduction

This Tax Strategy Statement (the “Statement”) of Urban Outfitters, Inc. and its subsidiaries (“URBN” or the “Company”) sets out URBN’s policy and approach to conducting its tax affairs and its management of related risks. The Statement is approved by the Board of Directors of URBN (“the Board”) and is effective for the year ended January 31, 2022. The Statement will be reviewed annually, updated as appropriate and approved by the Board. The Board, in partnership with the Company’s management, is responsible for setting and monitoring the strategy. The finance teams of URBN, and more specifically the URBN Tax Team, as defined below, are accountable to the Board for the implementation of the tax strategy and the management of tax and related risk.

## The URBN Tax Team

The Chief Tax Officer serves as head of global taxes and is responsible for overseeing all tax risk management, tax governance, and tax compliance issues for URBN. The “URBN Tax Team” is comprised of the Chief Executive Officer, the Co-President & Chief Operating Officer, the Chief Financial Officer, the Chief Tax Officer, and URBN’s global team of tax, financial and employment professionals.

The URBN Tax Team works to ensure that: (1) a tax strategy (the “URBN Global Tax Policy”) is adopted and followed consistently across URBN, with clear lines of responsibility and accountability; (2) the tax strategy is aligned with URBN’s overall approach to corporate governance and risk management, as outlined in the Company’s Code of Conduct and Ethics and various Board Committee charters; and (3) URBN pays the tax required of it under the laws and regulations of the countries in which it operates.

## URBN Global Tax Policy

URBN is committed to conducting its tax affairs consistent with the following principles:

1. Compliance with all relevant laws, rules, regulations, and reporting and disclosures requirements (“Applicable Law”), in all applicable jurisdictions, while seeking to conduct business in a tax efficient manner, but never knowingly in violation of Applicable Law;
2. Consistency with the Company’s overall business strategy;
3. Governance and assurance procedures that are appropriate and address tax risk management;
4. Proactive, collaborative and professional relationships with tax authorities.

## **URBN Tax Code of Conduct**

This URBN Tax Code of Conduct outlines the parameters within which the URBN Tax Team is expected to operate in its execution of the Global Tax Policy. Non-adherence to this Tax Code of Conduct could result in a disciplinary matter, up to and including termination.

### **1. Compliance with Applicable Law**

Operate in compliance with Applicable Law, including timely filing all required tax returns, reports and disclosures, paying the required amount of tax at the required time, and maintaining required records supporting all filings and tax payments in relevant jurisdictions.

Meet internationally recognized standards by applying transfer pricing policies, such as the arm's length standard, to ensure the required amount of tax is remitted where value is created.

Provide tax advice and guidance as necessary to ensure compliance with Applicable Law, obtaining external advice where necessary or advisable. Tax specialists identify and monitor key risks for changes in business or Applicable Law and update applicable processes and controls accordingly.

Do not engage in artificial transactions the sole purpose of which is to reduce tax liabilities. The URBN Tax Team considers recommendations for the Company to undertake a transaction in a way that gives rise to tax efficiencies, provided the transaction is aligned to URBN's commercial objectives and complies with Applicable Law.

### **2. Consistency with the Company's overall business strategy**

Make tax decisions in a manner that is consistent with and complements the Company's overall corporate strategy. Make key business decisions cognizant of tax consequences to optimize after-tax returns for the Company's shareholders.

### **3. Governance and assurance procedures that are appropriate and address tax risk management**

The URBN Tax Team provides day-to-day management of tax affairs and exercises reasonable care and diligence to minimize potential tax risk. Tax issues and compliance tasks are assigned to and handled by appropriate subject matter specialists. Such specialists review activities, processes, and tasks to identify key risks and establish appropriate controls. Maintain on-going tax governance with strong internal controls to reduce tax risk to materially acceptable levels.

Exercise appropriate care and judgement in assessing tax risks to arrive at well-reasoned conclusions on how those risks should be managed. Seek external advice and support from qualified external advisors and applicable subject matter experts where necessary or advisable to eliminate or minimize the tax risk that may arise in connection with the transaction or issue.

#### 4. Proactive, collaborative and professional relationships with tax authorities

Deal with the applicable tax authorities and other relevant bodies in a professional and timely manner. Seek early agreement on disputed matters and certainty when feasible.

## Country Specific Information

### UK context

In September 2016, the Parliament of the United Kingdom (“UK”) enacted the Finance Act of 2016 (the “Act”). Among other things, the Act requires that businesses with specific operations of a certain size within the United Kingdom publish a Tax Strategy Statement (the “Statement”) disclosing (a) the approach of the group to risk management and governance arrangements in relation to UK taxation, (b) the attitude of the group towards tax planning (so far as affecting UK taxation), (c) the level of risk in relation to UK taxation that the group is prepared to accept and (d) the approach of the group towards its dealings with Her Majesty’s Revenue and Customs (“HMRC”).

The Act requires that the Statement cover the following types of tax: income tax, corporation tax, value added tax, amounts for which the company is accountable under PAYE regulations, diverted profits tax, insurance premium tax, annual tax on enveloped dwellings, stamp duty tax, stamp duty reserve tax, petroleum revenue tax, customs duties, excise duties, and national insurance contributions.

URBN operates in over 19 countries, including the UK. URBN’s UK subsidiaries (collectively, “URBN UK”) perform retail and European support functions through multiple locations within the UK. URBN UK has a UK footprint that requires publication of this Statement.

This Statement aligns with the Act. In particular and specific to the Act, URBN discloses and commits to:

1. Maintain a low UK tax risk rating by: (1) ensuring the submission of all UK tax returns on a timely basis, including sufficient detail to enable HMRC to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process, (2) paying the required amount of tax at the required time, (3) ensuring all tax filing positions are supported with appropriate documentary evidence, (4) maintaining tax accounting arrangements which are robust and accurate and comply with the Senior Accounting Officer (SAO) provisions in the UK and, (5) ensuring that the URBN Tax Team have adequate resources and support to manage tax compliance issues on a timely basis. Where necessary or appropriate, the Company commits to engage qualified external advisors to ensure tax risks are properly assessed and appropriately addressed.
2. Apply the URBN Tax Code of Conduct to all UK operations to ensure UK specific tax risks are timely identified and properly managed;
3. Conduct the Company’s UK tax affairs in a manner that ensures URBN UK pays the required amounts of tax due in the UK, makes certain that transactions are structured to give a tax result consistent with economic realities and does not contemplate transactions with the sole purpose

of reducing UK tax liabilities; and

4. Engage with HMRC regularly to foster an open and collaborative professional relationship. URBN UK's strategic aim is to avoid disputes with HMRC by: (a) initiating early dialogue with HMRC to discuss tax planning, strategy, risks and significant transactions, (b) making accurate and timely disclosures in correspondence and returns, and responding to queries and information requests in a timely fashion, and (c) seeking to resolve issues with HMRC and where disagreements arise, working with HMRC to resolve issues by agreement, where possible.