



## URBN Social Compliance Program

URBN is committed to ensuring our products are sourced in a manner that is ethical, safe and in compliance with all local laws. We expect our vendors to share and support these values by applying the same principles to their supply chains. In partnership with our vendors, we hope to continuously improve the working conditions of factories as well as the lives of the workers producing our goods.

All URBN vendors have committed to source their products responsibly by agreeing to the URBN Vendor Code of Conduct & Responsible Sourcing Policy. In order to hold ourselves and our vendors accountable, we utilize Social Compliance Audits to monitor the factories where our products are manufactured. The audits allow URBN to get a closer look at the factories and determine if there are any issues that need to be addressed. In doing so, we can ensure our vendors remain fully committed to the URBN Vendor Code of Conduct as well as the ILO Conventions and other globally recognized human rights standards that it is based upon.

URBN regularly conducts risk assessments of its vendor base to ensure Social Compliance Audit efforts are most effectively focused and impactful. In-scope vendors are asked to have third-party Social Compliance Audits conducted at all facilities where URBN production takes place. The semi-announced audits are conducted by local auditors and typically involve a review of documents, physical inspection and walk-through of the factory, as well as worker interviews. The audits cover various topics, including but not limited to:

- Child Labor
- Forced Labor
- Discrimination
- Discipline, Harassment or Abuse
- Freedom of Association
- Employment Contracts
- Working Hours
- Wages & Benefits
- Health & Safety
- Emergency Preparedness
- Management Systems
- Environmental Controls

If non-compliances are identified during the audit, URBN, in partnership with the third-party auditing firm, will work with the supplier on a Corrective Action Plan. Proper prioritization of the non-compliances is essential for the factory to effectively remediate the issues. Follow-up on the Corrective Action Plan takes place until the supplier is at a place where URBN feels confident that issues have been addressed and continuous improvement efforts are implemented to prevent re-occurrence of issues. If it becomes necessary, URBN may also use unannounced audits, follow-up audits or other measures to monitor and improve compliance. In rare instances, if zero tolerance issues are identified, URBN may decide to responsibly exit the business relationship with a vendor.