FY2023

ARITZIA COMMUNITY™ ESG REPORT



ARITZIA

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ABOUT THIS REPORT:

We're pleased to share our latest progress and capture our People and Planet priorities in the Aritzia Community™ ESG Report FY2023. In these pages, you'll find a continuation of information that covers Aritzia's 2023 fiscal year — February 28, 2022 through February 26, 2023, referred to as FY23 throughout. Where fiscal year is not specified, information relates to the respective calendar year referred to.

For further details and updates please visit our Community pages on aritzia.com

CYC SCOPING ANALYSIS FOR ARITZIA COMMUNITY™ | ESG REPORT FY23

On June 25, 2021, Aritzia acquired 75% of the common shares in CYC Design Corp. (CYC), a leading designer and manufacturer of premium athletic wear, Reigning Champ (RC). CYC's results of operations, financial position, and cash flows are included in Aritzia's consolidated financial statements from the date of acquisition. The remaining 25% interest held by CYC shareholders was accounted for as a financial liability.

For more details on the incorporation of CYC, please reference section 7.2 in the appendix of this report.

1.0 INTRODUCTION



1.1

A Message from our CEO



Looking back on my first year as CEO and 36th year at Aritzia, I am proud to be part of a team that continues to evolve and adapt to global challenges while creating long-term growth. Working together is fundamental to delivering Everyday Luxury that elevates the worlds of our People, our clients and our surrounding communities.

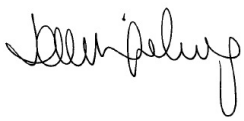
Over the past few years, the importance of leading with purpose has come into focus, which has brought Community to the top of mind. At Aritzia, Community is made up by the People and Planet that our operations and value chain touches on. With the understanding that our success is dependent on these relationships, we are guided by our Aritzia Community™ purpose — A Better Everyday. Together.

We are motivated now, more than ever before, to make commitments toward A Better Everyday. This year, we incorporated perspectives and input on which Community topics are most important to our stakeholders. We are now, for the first time, publishing defined People and Planet goals that will fuel our impact and demonstrate measurable progress. This year also marks the first full year of our Environmental and Social Committee of the Board providing strategic insight and guidance to our teams. We want our stakeholders to know they can count on us.

People lie at the heart of our vision. This year, we increased our investment in new talent through our campus recruiting and internship programs, and in programming for the development and holistic wellbeing of our existing talent. We have remained committed to creating a diverse, inclusive team and culture, starting from within, through education and People Resource Groups. We believe in the power of collaboration and have amplified our impact through donations to, and partnerships with, organizations who are leading meaningful work that aligns with our values.

We are strengthening our commitment to Planet. This year, we signed a commitment letter to the Science Based Targets initiative and set ambitious product sustainability targets to address our impacts further down our value chain. We continued to increase the adoption of lower impact materials and neutralize our Scope 1 and 2 emissions.

I am proud of the contributions we have made this year, and of our vision for the future. Our progress to date reinforces how we can make an even better impact in the years ahead. With our ambitions set high, our best days are still ahead of us. Thank you for joining us on our journey to creating A Better Everyday. Together.



Jennifer Wong

Chief Executive Officer

1.2

A Message from our Chair, Environmental & Social Committee of the Board



It has been a significant year of learning and advancement across Aritzia's ESG agenda. Among numerous achievements, I would like to take this opportunity to reiterate the importance of our Board's newly established Environmental and Social Committee and their mandate to oversee environmental and social matters across our value chain. The committee's formation signals Aritzia's commitment to conducting business responsibly, acknowledging the need to do so in a way that ensures accountability and diligence.

Despite our progress, we have the humility to understand the complexity that comes with managing the environmental and social impacts of a business as science, technology and consumer values are constantly evolving and often conflicting. As such, we know that collaboration is essential to make meaningful progress. With this in mind, we have engaged with key stakeholders, both internal and external, over the past year and used their input and knowledge to guide us forward. Our materiality assessment has helped to detect our key priorities, emphasizing how climate change is a material issue — and the greatest existential threat of our time. With this understanding, I'm thrilled that management has signed a Letter of Intent to the Science Based Targets initiative.

While the Board is both proud of and impressed with Aritzia's progress over the years, we understand that this is an unending journey which requires the commitment of the entire organization, as well as the support of our partners to ensure we deliver our ESG goals alongside business excellence.

We look forward to the continued progress and success of Aritzia's business.



David Labistour

Chair of Aritzia's Environmental and Social Committee of the Board

2.0

HIGHLIGHTS



Key Achievements in FY23:

We're proud of all that we've accomplished this year. As our company evolves, our impact across People and Planet grows. Below, we've collected our most notable highlights from FY23.

PEOPLE

- 73% of our senior leadership positions[1] are held by women
- Launched our People Resource Groups (PRGs) to celebrate and embrace diversity in our business
- Expanded our Supplier Workplace Standards Program to in-scope fabric and trims suppliers
- Donated $1 million of warm winter coats to our Aritzia Community™ partners across North America during the holiday season
- Collaborated with artist Lea Colombo to create a limited-edition collection for International Women's Day, donating 100% of its proceeds to Aritzia Community™ partner organizations to support women and girls

[1] Senior leadership positions include individuals with titles Senior Vice President and above

PLANET

- Signed and submitted a Letter of Intent to the Science Based Target initiative, confirming Aritzia's commitment to set greenhouse gas emissions reduction targets within 24 months
- Completed our third Carbon Disclosure Project (CDP) Climate Change submission and achieved a B score, maintaining the upward trend in our performance on the questionnaire
- Incorporated lower-impact fabrics into 61% of our 2022 styles and 64% of our SS23 styles, which included organic and recycled cotton, recycled polyester and nylon, amongst others
- Became a member of the Aid by Trade Foundation's The Good Cashmere Standard and certified over 50% of our cashmere styles across our FW22 collections

GOVERNANCE

- Completed our first full year of quarterly Environmental and Social Committee of the Board meetings
- Established a Community Committee: a group of cross-functional executives and leaders responsible for overseeing strategies and activities relating to People and Planet
- Submitted our first annual Communication on Progress as a signatory to the United Nations Global Compact
- Finalized our 2022 Materiality Assessment that will help to guide our Community priorities

3.0

STRATEGY



As we look to the future, we're committed to accelerating our positive impact for People and the Planet through our Aritzia Community™ Strategy that is guided by our purpose — A Better Everyday. Together.™

Together, as one cross-functional team.

Together, with the local and global business community.

Together, to achieve scalable, industry-wide impact.

And, most importantly — together with our stakeholders and the communities we serve.

3.1

Our Approach

At Aritzia, Community encompasses the impact we have on both People and the Planet across our workplaces, value chain and the surrounding environments and communities our business touches. Aritzia's global value chain includes every step of product conception from the initial design to cultivating materials, manufacturing garments and distributing them in our Boutiques. Each stage in our value chain depends on stakeholder groups, which includes farmers, manufacturing suppliers, Aritzia employees, clients and investors.

We recognize that Community is integral to our business success. With this in mind, we place our stakeholders at the centre of our corporate strategy and consider People and the Planet in everything we do.

To unite our impact with wider global needs and industry-best practices, we have aligned Aritzia's Community priorities and disclosures with the Sustainability Accounting Standards Board (SASB) framework and the United Nations Sustainable Development Goals (SDGs). The details of how our disclosures align to these frameworks can be found in the Reporting Frameworks section of this report.

Through an internal impact analysis, we have identified the SDGs that are most relevant to our business, which allows us to understand our opportunities to create change. By mapping these SDGs against our Community Strategy, we can unify the goals of our business with those of our global landscape.

COMMUNITY

A Better Everyday. Together™

We are People on a Planet - and responsible to both. Together, we are committed to creating a better world, today and tomorrow.

PEOPLE			PLANET		
Our People	Supply Chain	Communities	Climate	Water	Materials
3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES			6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND		

3.2

Our Goals

We have developed a set of Community goals using the findings from a rigorous materiality assessment, informed by stakeholder input, and reviewed our baseline performance against these identified findings. With an understanding of our over-arching goals across People and Planet, we've established clear, measurable targets. These targets will enable us to monitor our progress in future years and create a tangible impact that aligns with our Community strategy.

PEOPLE

GOAL	MATERIALITY OPPORTUNITY	MEASURING OUR IMPACT	TARGET	TARGET YEAR
Grow our world-class talent and support long-term, meaningful careers	Talent Management	Average # of hours of formal training provided per employee annually	14 hours	FY27
		% of positions filled by internal pipeline of up-and-coming talent	50%	FY27
		% participation in employee engagement survey[2]	85%	Annually
Foster wellbeing across our workplaces	Talent Management	% of full-time and part-time employees and their family members with access to Aritzia's Employee Assistance Program[2,3]	100%	Annually
Foster belonging across our workplaces	Equity, Diversity & Inclusion	% involvement and belonging score in employee engagement survey	83%	FY27
		% engagement score in employee engagement survey	75%	FY27
Promote fair and safe working conditions with our suppliers	Human Rights, Working Conditions & Wages	% of in-scope finished goods supplier facilities assessed by a third party[2]	100%	Annually
		% of in-scope fabric and trim supplier facilities assessed by a third party	100%	FY27
		% of in-scope finished-goods supplier facilities with worker voice programs	100%	FY28
Invest in the communities we serve to drive positive change	Community Engagement	$ value invested in Community partners	$50M[4]	FY28

PLANET

GOAL	MATERIALITY OPPORTUNITY	MEASURING OUR IMPACT	TARGET	TARGET YEAR
Reduce Scope 1, 2 & 3 greenhouse gas emissions	Climate, Energy & GHG Emissions	Establish science-based emissions reduction targets	Publish	FY25
Source renewable electricity for our owned and operated workplaces	Climate, Energy & GHG Emissions	% of renewable energy for Scope 2[2]	100%	Annually
Reduce the usage of water and protect its quality	Water	Water strategy established and approved	Publish	FY25
Adopt lower-impact materials and promote environmental stewardship throughout production processes	Product Stewardship	% of customer packaging[5] including 100% lower-impact and only recyclable materials	90%	FY27
		Average verified Higg FEM score for in-scope finished-good suppliers facilities	75%	FY27
		% of in-scope Higg FEM verified fabric supplier facilities	100%	FY27
		% of cotton that is Better Cotton, organic or otherwise certified	100%	FY27
		% of polyester derived from recycled content	45%	FY27
		% of wood-based cellulosic sourced from Canopy Green Shirt suppliers	100%	FY27
		% of designers trained on circular design principles	100%	FY27

[2] Maintain annual target [3] Includes mental health support program [4] Cumulative total commitment over the next five years (from FY24 to the end of FY28)

[5] Excludes A-OK Cafe food and beverage packaging

4.0

PEOPLE

We Enrich Communities

We're committed to supporting people to thrive



4.1

People Priorities & Strategy

Our commitment to our People drives everything we do. We're focused on investing in our People, the people in our supply chain and the communities we work with across three pillars: Opportunity, Wellbeing and Belonging. We'll continue to champion these three pillars through the following goals.

PEOPLE GOALS	
OUR PEOPLE	Foster wellbeing across our workplaces
	Grow our world-class talent and support long-term, meaningful careers
	Foster belonging across our workplaces
SUPPLY CHAIN	Promote fair and safe working conditions with our suppliers
COMMUNITIES	Invest in the communities we serve to drive positive change

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



4.2

Our People

We provide a holistic sense of wellbeing and belonging and invest in opportunities for continuous growth and development.


A Group of Summer 2022 Internship Program

4.2.1

Opportunity

Our employees make up the engine that propels our business forward. We believe in investing in the development of our People by providing them with the right environments and opportunities to evolve and grow.

SUPPORTING UP-AND-COMING TALENT

This past year, we actively invested in up-and-coming talent entering the workforce while continuing to invest in a diversified group of upcoming and new graduate students.

Here's how.

ARITZIA'S SUMMER INTERNSHIP PROGRAM

Following the success of our inaugural Summer 2022 Internship Program, we launched its second iteration and were thrilled to receive an overwhelming number of applicants. This strategic recruitment program allows us to build a pipeline of proven, passionate and high-performing talent through providing selected students with Aritzia University training, cross-functional leadership, business exposure and meaningful industry experience.

We're working to embed Equity, Diversity and Inclusion (EDI) into all aspects of our business, and our internship program presents a critical opportunity to do so. This year, our Summer 2023 Internship Program has reserved space for Indigenous students and, as our program continues to grow, EDI will remain a key priority.

SPOTLIGHT:

Up and Coming in Tech

We're passionate about creating opportunities for female and non-binary professionals through developing their careers.

This year, we sponsored the University of British Columbia's first fashion-themed hackathon in support of underrepresented genders in tech.

We were proud to partner with the UBC girlCode team to bring this event to life, which included an inspirational keynote, speaker panels, technical workshops, and networking — in addition to witnessing innovative solutions from over 100 students on the future of fashion eCommerce.


Participants of UBC girlCode hackathon hosted by Aritzia

DEVELOPMENT

We're committed to developing talent from within to cultivate our leaders of tomorrow. Our approach is to hire people, not positions. As our People develop and our business grows, we seek internal talent who possess a pre-existing understanding of our culture and how we operate.

Our longest running recruitment program has been nurturing talent from Aritzia's frontlines — our Boutiques, Distribution Centres (DCs) and Concierge Team — to roles at our Support Office. Using this method, we've had the opportunity to develop loyal, high-performing talent who know our customers, love our products and understand our business and culture. The most notable example of this is our CEO, Jennifer Wong, who started her career at Aritzia as a Style Advisor in one of our Boutiques.

In FY23:

- Over 100 corporate roles were filled by high-potential employees from our Boutiques, DCs and Concierge teams
- Between transfers and promotions, nearly 50% of our corporate roles were filled by already existing Aritzia employees
- Of the individuals internally promoted and transferred into corporate roles, over 75% of them were women

We're dedicated to creating systems to facilitate our employees' ongoing learning and advancement in their careers. Each year, we conduct an annual Talent Review — a conversation that focuses on open communication and goal setting. In addition to these formal, annual reviews, we create a working environment that encourages regular discussions between employees and their managers, empowering our People to take ownership of their performance, development and continued growth.



SPOTLIGHT:

Training Our Teams

We invest in training programs that meet the specific needs of each workplace to ensure our People receive learning opportunities that promote engagement and productivity in their roles. As part of our onboarding process, every employee completes a foundational set of Aritzia-developed training, with additional training tailored to specific employee groups and workplaces.

In FY23, we provided over 55,000 hours of formal training to our People across all our workplaces.

We strive to build our teams' competencies in a way that propels them toward their goals with the belief that critical development happens during day-to-day engagements. As a result, informal training accounts for the majority of training received by each employee in the form of on-the-job coaching, guidance from managers, and developmental conversations.

In FY23, Aritzia provided over 500,000 hours of informal training.

ENGAGEMENT

By actively listening to feedback from our People and integrating such insights into improving our People & Culture strategies, we foster world-class environments and achieve extraordinary results.

Since 2015, we've conducted our annual Aritzia Asks Engagement Survey. The survey provides a platform for employees to voice what they value about working at Aritzia and provide input on how we can raise the bar. In 2022, more than 6,000 employees across all workplaces participated in this survey, achieving an incredible response rate of 88%.

The survey has three critical anchors:

- Employee engagement — the level to which employees want to give their best work
- Performance enablement — the level to which employees can give their best work
- Manager effectiveness — the extent to which employees believe their managers are effective in their work and people management

4.2.2
Wellbeing

We've taken steps to provide quality physical, mental and emotional wellbeing resources and programs to ensure our People are supported — inside and outside of work.

EMPLOYEE ASSISTANCE PROGRAM

Our Employee Assistance Program (EAP) offers online and over-the-phone support to our People and their family members — available at all hours of the day, any day. Through this service, our People have access to confidential emotional support, work-life solutions, legal guidance, financial resources and wellness tools.

PHYSICAL HEALTH

Our Vancouver Support Office and Distribution Centre have state-of-the-art gym facilities that offer classes, personal training and free drop-in.

MENTAL HEALTH

Through Aritzia's continued relationship with Headspace, a leading mindfulness meditation app, our People have access to a complimentary subscription.

In partnership with Jack.org, Aritzia hosted a virtual Jack Talk and offered the Jack.org Be There Certificate to our People. The Be There Certificate is an interactive course designed to increase mental health literacy and provide people with the ability to support someone through a mental health struggle.

OCCUPATIONAL SAFETY & HEALTH

To maintain healthy and safe working environments, we have a Workplace Health and Safety Policy as well as a Respect in the Workplace Policy that set our standards and address potential risks. These policies outline the company's health and safety protocols, our position against harassment, discrimination, violence and bullying, and provide clear procedures for handling any related issues or incidents.

Additionally, we have the following programs and initiatives in place to ensure health and safety standards are met.

1. We require workplace-specific health and safety training for all employees upon onboarding.

2. We further propelled our position against harassment, discrimination, violence or bullying, as outlined in Aritzia's Harassment, Discrimination and Violence Policy with our $1 million investment in EDI.

3. We conduct periodic proactive safety controls and audits at all workplaces to minimize the likelihood and impact of injury, illness, violence and harassment. Audit conclusions are shared with our Leadership Team and leveraged for continual safety improvements.

4. We designed workplace-specific emergency protocols for each of our 150+ workplaces and closely coordinated with property managers.

5. Our Joint Safety and Health Committee is responsible for maintaining audits, flagging and mitigating risks and promoting a culture of health and safety for all employees.

6. Every employee is required to acknowledge our Health and Safety, Harassment, Discrimination and Violence and Fit for Work and Substance policies.

4.2.3
Belonging

Fostering Equity, Diversity and Inclusion (EDI) amongst our People is a core commitment at Aritzia. This commitment brings great value to our organization and grants many opportunities for us to take action, listen and learn as we seek to cultivate a strong sense of belonging among everyone our business touches.

EDI LEADERSHIP AT ARITZIA

Our CEO, Jennifer Wong, oversees our EDI strategy. This year, we conducted an EDI audit of our People operations and policies to identify gaps as well as opportunities to help us improve. The review included an assessment of talent acquisition, an examination of talent management processes and interviews with team leaders to analyze all people-related policies and procedures.

We're using the findings from this audit to inform system-level changes across our business as we continue to support inclusivity and address bias.

From entry-level to executive-level positions, Aritzia is a place where all people — no matter their colour, creed, race, age or sexual orientation — can enjoy successful careers.

AMPLIFYING VOICES

We engage with our People by being allies and hosting educational sessions that honour a range of days of observance and global events. These sessions support the diverse community that our business impacts. To amplify personal stories and perspectives, sessions are typically led by someone grounded in firsthand experience.

This year, our programming included guest speakers, workshops and other resources to acknowledge and support Asian Pacific Islander Heritage Month, Pride Month, International Day of Worlds Indigenous Peoples, National Day for Truth and Reconciliation, Hispanic Heritage Month, Diwali, International Day of Persons with Disabilities, Allyship for Women's Rights in Iran and Black History Month.

DAY OF OBSERVANCE

We continue to offer an annual Day of Observance for all employees to take one paid day off, of their choice, to celebrate or observe a day that is of particular significance to them individually, outside of statutory holidays.

SPOTLIGHT:
People Resource Groups

In FY23, Aritzia launched People Resource Groups (PRGs). Open to fellow allies and community members, PRGs are established and driven by the interests of our People. Throughout the year, PRGs have organized several events to celebrate and embrace the diversity in our business and to inspire our wide-reaching community.

We're pleased to introduce our existing PRGs:

THE MELANIN PROJECT
Purpose: To amplify Black voices, inspire allyship and celebrate Black culture both within our Aritzia community and beyond.

ARITZIA ASIAN ALLIANCE
Purpose: To combat the notion of Asians and Pacific Islanders as a monolith by dismantling how we as individuals and organizations perpetuate systemic racism.

ARITZIA PRIDE COLLECTIVE
Purpose: To promote allyship and community, providing a safe, non-judgmental space and support network for the queer community.

Stay tuned — we'll be launching more PRGs over the coming year.

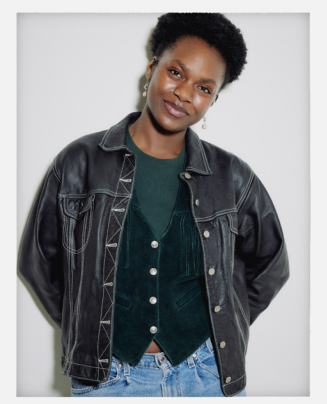
WOMEN IN LEADERSHIP

For the fourth year in a row, we're honoured to be included in The Globe and Mail's Women Lead Here list, which spotlights companies with women in leadership positions. We know the value and strength of gender diversity in the workplace and feel proud to be amongst 90 companies in Canada that have women at the top.

At Aritzia, 85% of our employees are women and 73% of our senior leaders are women. In addition, 98% of our retail management team are women.








COLLABORATIONS

Over the past year, we've placed an emphasis on pursuing collaborations with individuals and organizations who share and amplify our value for Belonging — whether that be the talent we cast in our campaigns, the non-profits we support or the artists whose work we feature.

One collaboration that reflects this value is the limited-edition collection by artist Lea Colombo, which featured work from her latest series, Colours of My Body. With pieces specifically designed for International Women's Day, Colombo's work focuses on the connection between mind, body and soul. 100% of proceeds from this collection went toward Aritzia Community™ partner organizations to support women and girls.

For more on the collaborations that promote Belonging, please see section 4.4.3: Communities, Belonging.



Lea Colombo, Colours of My Body Collection

4.3

Supply Chain

We collaborate with our suppliers to achieve best-in-class standards



In FY23, the approximate gender breakdown of workers in the finished-goods facilities we worked with was[6]:

71% Female

29% Male

[6] Missing statistic from one active facility

We understand that a well-managed supply chain is integral to building a stable, successful and sustainable business. With this in mind, we partner with best-in-class fabric, trim and finished-goods suppliers, defined not only by the quality of the product but also by how they work. As part of our commitment to fair and safe employment conditions across our value chain, we build meaningful partnerships with suppliers who share our values. We ensure our suppliers are assessed through third-party audits to identify and develop sustainable, long-lasting improvements that extend beyond our direct reach.

In FY23, we partnered with finished-goods suppliers located around the globe:

FINISHED-GOODS FACILITIES

COUNTRY	% TOTAL FINISHED-GOODS FACILITIES	% OF WORKERS IN FINISHED-GOODS FACILITIES
Cambodia	2%	2%
Canada	1%	<1%
China	38%	19%
India	6%	6%
Italy	1%	<1%
Peru	1%	2%
Philippines	2%	1%
Portugal	4%	1%
Romania	5%	3%
Sri Lanka	15%	24%
Thailand	1%	2%
Turkey	4%	5%
USA	3%	<1%
Vietnam	17%	34%

4.3.1
Human Rights

Our social impact programs focus on respecting and upholding human rights throughout our supply chain. We use the United Nations Guiding Principles for Business and Human Rights to form the basis of our approach.

We are committed to doing business responsibly and, as such, recognize the risks of human trafficking, slavery, forced labor and child labor across global supply chains. Over the past year, we've conducted a Human Rights Impact Assessment and shared the findings internally. Moving forward, these findings will inform how we review our practice and continue to improve by implementing measures to address any identified issues or risks.

As outlined in our Supplier Code of Conduct, we require the suppliers we partner with to have an effective process in place to identify and evaluate labour and human rights risks, health and safety hazards, environmental impacts and business ethics non-compliances. Suppliers must allow their workers the right to work freely and without harassment or undue penalty, and to participate in worker organizations of their choice.

Aritzia requires these conditions for suppliers' own facilities as well as their subcontractors and recruitment or labour agents. This helps to ensure that all parties involved in our supply chain are committed to responsible practices.

4.3.2
Workplace Standards

Aritzia's Supplier Workplace Standards Program has a strong emphasis on trust, transparency and continuous improvement. We monitor supplier facilities against our Supplier Code of Conduct, which is aligned with leading standards such as the International Bill of Human Rights and the International Labour Organization (ILO) Fundamental Principles and Rights at Work and the Ethical Trading Initiative Base Code.

We work with third-party specialty service providers to monitor and support suppliers in their compliance to our standards. In FY23, third-party assessments were conducted at 84% of our in-scope finished-goods supplier facilities[7]. The remaining in-scope facilities requiring assessments are being scheduled in the first quarter of FY24. 91% of these assessments were announced and conducted by ILO Better Work or third-party specialty service providers chosen by Aritzia. The remaining 9% were unannounced and conducted by ILO Better Work.

Aritzia's Manufacturing and Supplier Workplace Standards teams work closely to include Workplace Standards audit results into sourcing and manufacturing scorecards. This process ensures our suppliers understand the importance of working conditions to our decision making and sourcing strategy. In FY23, 40% of our finished-goods suppliers we had production with were covered by a sourcing and manufacturing scorecard.

Additionally, as of FY23, we've begun conducting third-party assessments at in-scope fabric and trims supplier facilities and will continue to grow this program[8]. All assessments conducted at these facilities were announced and conducted by a third party chosen by Aritzia.

[7] In-scope finished-goods supplier facilities includes facilities that meet or exceed Aritzia's production unit threshold, have production with Aritzia in FY23, and, in respect of which an audit is required within a specified time period as per Aritzia's Supplier Workplace Standards Program

[8] In-scope fabric and trims supplier facilities include those selected to participate in Aritzia's Supplier Workplace standards program based on level of partnership and/or those producing key materials

ARITZIA SUPPLIER WORKPLACE STANDARDS PERFORMANCE

We rate suppliers using our Supplier Workplace Standards Rating Framework that was developed in partnership with an independent, non-profit civil society organization that specializes in fair labour and global supply chains. The rating scale reflects a greater focus on differentiating between isolated issues (minor) that may not stem from ineffective management systems and systemic issues that may stem from ineffective management systems (major and critical). This approach allows us to develop effective, long-term remediation strategies to address the identified issues at their root cause, in partnership with our suppliers.

The ratings and associated action items are as follows on the next page.

ARITZIA SUPPLIER WORKPLACE STANDARDS RATING FRAMEWORK

	LEVEL 4 18%	LEVEL 3 78%	LEVEL 2 4%	LEVEL 1 0%
SUPPLIER RATINGS[9]	Improvement opportunities are isolated and may not have a systemic root cause or indicate a management system issue	Improvement opportunities may be due to a systemic root cause and may require revisions to management systems for sustained remediation	Improvement opportunities may be due to a systemic root cause and may require improvements to management systems If not remediated, concerns could pose risks to business operations and/or workplace standards	Serious issues identified that pose a risk to workers or result in a human rights violation
AUDIT SCHEDULE	Annual Audits	Annual Audits	Reaudited Within Four Months	Responsible Exit
ACTION ITEMS	Biannual meeting with the supplier and Aritzia's Supplier Workplace Standards team to review remediation plan and progress and provide support where applicable	Quarterly meetings with the supplier and Aritzia's Supplier Workplace Standards team to review remediation plan and progress and provide support where applicable	Monthly meetings with Aritzia's Supplier Workplace Standards team (and/or a remediation partner) to ensure actions progress accordingly and regular updates with Aritzia's Manufacturing teams	Once the finding has been verified, the relationship between Aritzia and the supplier will be terminated A responsible exit strategy will be put into place to minimize the impact on workers

[9] Ratings are reflective of performance from audits of in-scope finished goods suppliers conducted in FY23

We conduct regular, cross-functional conversations with our suppliers to discuss identified issues and establish long-term, sustainable improvements. We're committed to fostering this partnership with supplier management to ensure that transparent communication and continuous improvement drives us forward.

SUPPLIER NON-COMPLIANCES

A comprehensive scope of Workplace Standards that suppliers are assessed against during their audits is outlined in the Aritzia Supplier Code of Conduct. The various topics that these standards cover can be grouped into four over-arching categories of non-compliances: Health and Safety, Labour, Governance and Management Systems, and Environmental Management. Of the non-compliances that were identified through audits in FY23, 51% were Health and Safety related, 41% were Labour related, 5% were related to suppliers' Governance and Management Systems, and 3% pertained to suppliers' Environmental Management.

The Health and Safety category covers the physical and psychological wellbeing of workers in their workplaces, bathrooms, canteens and dormitories. Health and Safety topics include fire safety, equipment safety, access to proper grievance processes, equal opportunity and non-discrimination. The Labour category assesses suppliers' recruitment practices, worker experience, working hours, benefits, and the completeness and accuracy of employment records and wage payments. When reviewing Governance and Management Systems, an auditor assesses suppliers' policies, practices, roles and responsibilities for managing labour, business ethics, health and safety, and for obtaining required licenses and permits. The Environmental Management category reviews a suppliers' practices around monitoring, obtaining and protecting required permits for emissions, water and air discharge and hazardous waste handling.

REMEDIATION

If an opportunity for improvement is identified or remediation is required, Aritzia takes a collaborative approach and develops a Corrective Action Plan (CAP) that holds suppliers accountable and implements lasting solutions. CAPs are tailored to remediate suppliers' specific non-compliance(s) including root-cause analysis, short-term remediation actions and long-term corrective actions. As needed, Aritzia provides additional support through consulting with local specialty service providers and/or online training. If a supplier is unable or unwilling to rectify issues, we will reconsider our business relationship with them. Even still, we're committed to upholding the rights and best interests of the workers throughout the exit process and will ensure that workers are not left in a vulnerable position and have access to appropriate support services.



Aritzia Fabric Supplier, Japan

4.3.3

Beyond Compliance

Aritzia considers how the practices of our business impact the suppliers we source from. On an annual basis, we conduct a feedback survey with our finished-goods suppliers on how we work with them across multiple dimensions. This survey allows suppliers to share feedback on how Aritzia is performing as a partner and where we have opportunities to better support them. We use the findings to understand how we can improve in our partnerships and how to best enable effective and responsible operations with our suppliers.



Aritzia Finished-Goods Supplier, Cambodia



Image courtesy of Better Work

SPOTLIGHT:

Better Work

Aritzia is a Buyer Partner of Better Work, a partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC) that brings together all levels of the global garment industry to improve working conditions and respect labour rights for workers, while boosting the competitiveness of apparel businesses. Aritzia's manufacturing countries where the Better Work Programme operates include Cambodia and Vietnam. 83% of our suppliers that operate within Cambodia and Vietnam are members of the Better Work Programme.

We're pleased to share that five of our participating suppliers (of 15 total) have achieved high-performing factory status, an exciting milestone in our progress toward responsible sourcing.

These high-performing factories have implemented robust systems to tackle the root causes of non-compliance and have created more inclusive strategies for ensuring good working conditions moving forward. They've set the bar high, acting as models for accelerating change and driving impact within our industry.

Better Work classifies high-performing factories as those that consistently demonstrate:

- High levels of compliance with core labour standards, basic legal requirements relating to wages and workers' safety, and mechanisms for workplace dialogue
- Mature level of social dialogue between workers or trade unions and facility management, inclusive of effective mechanisms and procedures for handling workers' grievances
- Effective systems for occupational health and safety, and human resources management
- Commitment to continuous growth through the implementation of needs-based learning plans, developed in consultation with elected worker representatives or trade union representatives

4.4

Communities

We're committed to elevating the lives of our People, our clients and communities

At Aritzia, we recognize the importance of caring for People within the communities where we operate our business. We believe in building meaningful relationships with community partners that drive positive change. Our Aritzia Community™ partnerships and initiatives align with our three priority pillars for People: Opportunity, Wellbeing and Belonging.

To date, we've contributed more than $50 million in product donations, financial support and volunteer hours to non-profit organizations and Aritzia Community™ partners that share our values. This has positively impacted more than 550,000 people.

SPOTLIGHT:

Days Celebrated Through Donations

GIVING TUESDAY

To celebrate Giving Tuesday, a global day of giving, we donated $10 of every purchase on that day to Aritzia Community™ partner organizations. We're pleased to have reached our donation goal of $250,000.

INTERNATIONAL WOMEN'S DAY

To celebrate International Women's Day 2022, we designed a limited-edition Women[Women] product collection. 100% of proceeds from this limited-edition collection were donated to Aritzia Community™ partner organizations that support women and girls.

4.4.1

Opportunity

We believe in supporting opportunities for growth and development and are passionate about doing so for women and girls. We care about supporting the local neighbourhood that surrounds our Vancouver Support Office (VSO).

CAUSE WE CARE

Aritzia has supported Cause We Care Foundation (CWCF) for 10 years. Founded in 2007 by women to help women, CWCF strives to provide assistance to low-income single mothers and their children. We support Cause We Care through product capsule collections, with 100% of proceeds donated directly to the foundation. Additionally, we donate product gifts annually to the Mother's Day and Holiday Care Package drives and regularly volunteer at fundraising events.



Cause We Care Holiday Care Package drive 2022

MINERVA BC

Minerva BC is a Vancouver-based charity that's dedicated to advancing the leadership of self-identified women and girls across BC. For nearly a decade, Aritzia has supported Minerva to evolve their youth leadership opportunities. In 2022, Aritzia sponsored the Minerva Youth Advisory Council (YAC), inviting the Minerva YAC to our VSO to spend time with our leaders, gain valuable insights on career readiness, network and have professional headshots taken in our photo studio.

UNION GOSPEL MISSION

For nine years and counting, Aritzia proudly supports Union Gospel Mission (UGM) and its programs that support women struggling with homelessness and addiction in Vancouver's Downtown Eastside. Aritzia makes regular product donations that go directly to women in UGM's programs and supports Repair to Wear — an empowerment initiative that provides women with training, flexible work and community resources as well as life and job skills. The Repair to Wear program operates as a social enterprise that generates revenue to help fund other initiatives at UGM. Aritzia also sponsor's UGM's Children & Youth Classroom in their Women and Families Centre in Vancouver, which exists as the home to women and children seeking to rebuild and restart their lives.

4.4.2

Wellbeing

The wellbeing of communities means a lot to us. And while wellbeing can take many forms, this past year, we've focused on providing essentials and comfort to our Aritzia Community™ partners and supporting their mental wellbeing while enhancing our client experience.

ARITZIA COMMUNITY WAREHOUSE SALE SHOP

We invited our local Aritzia Community™ partners Cause We Care, Urban Native Youth Association, and Big Sisters BC Lower Mainland to invite women and girls from their communities to enjoy a complimentary shopping experience at our renowned Warehouse Sale. We provided each of the 200 participants with a $500 shopping credit and welcomed them to fill their shopping bags with their favorite fall essentials, whether for back-to-school or back-to-work.

YOUTH MENTAL HEALTH

Jack.org partners with young leaders in every Canadian province and territory to improve youth mental health in their communities. This change-making organization aims to enhance young people's ability to recognize struggle in both them and their peers, seek out appropriate mental health support and resources and advocate for systems that better meet their needs. We support Jack.org through financial donations, which allowed more than 1,000 additional youth to join their hybrid National Jack Summit — a youth-led conference in which local, regional and national delegates create solutions that improve mental wellness at the community and systems level.

THE GIFT OF WARMTH

Our favourite holiday tradition. Every December we donate thousands of warm winter coats — Super Puffs, wool coats and parkas — to Aritzia Community™ partners across North America. It's an effort to keep our communities — from coast to coast to coast — warm at the coldest time of the year.

Since 2020, we've donated over 9,000 of our most popular styles, worth more than $2.4 million in value.

Our Canadian partners for this program include Cause We Care, Urban Native Youth Association, Big Brothers and Big Sisters Canada and YWCA Canada. Our partners in the United States include Stonewall Community Foundation and Born This Way Foundation.



Aritzia Holiday Donation Packing 2022



SPOTLIGHT:

Our Clients, Our Priority

OUR BRAND

Our clients' experience with the Aritzia brand is fundamental to our success. This year, we began a comprehensive evaluation of our brand and are currently developing a client survey to deepen our understanding of our clients' evolving needs — and how best to meet them. These assessments will allow us to ensure that our brand aligns with our clients' diverse lifestyles and preferences.

TRAINING

At Aritzia, we offer training for our retail and concierge teams to ensure interactions with clients reflect our company values. Training programs range from Aritzia's purpose and values to EDI courses focused on providing inclusive client experiences. Our Retail Academy, a program designed for our national and international store associates and management teams, demonstrates our commitment to our People's growth and development. We believe that exceptional training ensures our unique values come through in every client interaction.

LISTENING TO OUR CLIENTS

The collection and integration of client feedback is critical to attracting new clients and deepening the loyalty of existing clients. We use client insights to identify training needs and recognize high performers within our client-facing teams. We also use feedback from our clients to improve our service, performance and product development. By implementing this critical feedback loop, we're able to leverage real-time insights to strengthen our company's value proposition and brand.

4.4.3

Belonging

We strive to advance awareness around EDI through partnering with organizations that share our values — in the communities we serve locally and globally.

INDIGENOUS RECONCILIATION

In response to the atrocities revealed about and the traumas caused by the Indian Residential Schools system, Canada created the Truth and Reconciliation Commission (TRC) in 2007. Reconciliation is defined by the TRC as the need to establish and maintain a mutually respectful relationship between Indigenous and non-Indigenous peoples through awareness of the past, acknowledgement of the harm inflicted, atonement for the causes and action to change. As a company founded and led in Canada, Aritzia is committed to participating in acts of reconciliation with Indigenous people both within our organization and in our communities.

In FY23, we made strides toward supporting Indigenous people through the following partnerships:

- The Circle connects Aritzia with a large network of Indigenous organizations that help create systemic change and increase equity, justice and sovereignty for Indigenous peoples.

- To acknowledge National Day for Truth and Reconciliation and Orange Shirt Day 2022, Aritzia designed a limited-edition t-shirt in collaboration with Indigenous artist, Atheana Picha. 100% of proceeds were donated to Orange Shirt Society — an organization that fosters reconciliation in response to the inter-generational impacts of residential schools.

- Pow Wow Pitch is a program to launch and award Indigenous Fashion Grants to six Indigenous entrepreneurs. Pow Wow Pitch is North America's premier pitch competition and non-profit organization, supporting emerging Indigenous entrepreneurs and a community rallying for their success. Recognizing the growth of Indigenous fashion businesses and brands, Pow Wow Pitch launched a Fashion Category this year as part of its flagship Pitch Competition.

- Urban Native Youth Association (UNYA) is a Vancouver-based centre of Indigenous youth excellence, supporting youth on their journeys by amplifying and celebrating their voices. Aritzia has supported UNYA with financial support and product donations since 2021.



T-shirt designed by Indigenous artist, Atheana Picha, for Orange Shirt Day 2022

LGBTQIA2S+ SCHOLARSHIP

In 2022, we extended our partnership with Stonewall Community Foundation, a group that strengthens the LGBTQIA2S+ movement by making values-driven investments in dynamic organizations, projects and leaders. Rooted in purpose, they're explicitly committed to lifting up all communities of colour and transgender, gender-non-conforming and non-binary people; working to end racism and anti-Blackness; and supporting organizations that serve undocumented immigrants and people involved in survival economies. We support Stonewall Community Foundation through product and financial donations and collaboration on amplification and education initiatives. Additionally, we provide funding for the Aritzia Scholarship at Stonewall, which last year was awarded to four recipients enrolled in programs focused on mental health, advocacy, social justice, fashion design or retail management.

INVESTING IN COMMUNITIES OF COLOUR

- Aritzia is proud to be a founding sponsor of the Black Women's Journalism Fellowship with CBC/Radio-Canada, in partnership with The Canadian Journalism Foundation. Renewed in 2022, the fellowship aims to amplify Black voices, improve coverage of Black issues in the news and cultivate future Black media leaders.

- We're proud to support the programming serving young women at The Brotherhood Sister Sol with a financial contribution and a conversation about career readiness, led by Aritzia. This will help hundreds of young LatinX and Black women in Harlem and New York City connect to their history and plan for their future.

5.0

PLANET

We Champion Sustainability

We're committed to the protection, restoration and resilience of the planet



5.1

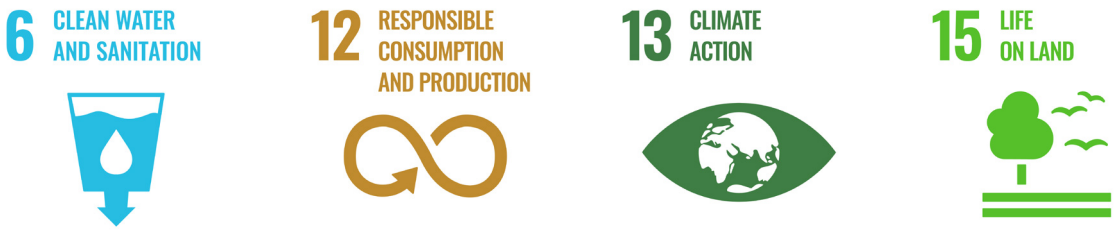
Planet Priorities & Strategy

Our business success is interconnected with the health of the Planet. We believe that we have a responsibility to reduce our impact on the Planet through the ways we manufacture and distribute our products and how we operate across our Boutiques, Distribution Centres and Support Offices. Aritzia's Environmental Policy outlines our commitment, our guiding principles and the expectations we have for our operations across our supply chain.

We're committed to applying solutions to our business that help protect our Planet in line with our Planet goals.

PLANET GOALS	
CLIMATE	Reduce Scope 1, 2 & 3 greenhouse gas emissions
	Source renewable electricity for our owned and operated workplaces
WATER	Reduce the usage of water and protect its quality
MATERIALS	Adopt lower-impact materials and promote environmental stewardship throughout production processes

RELEVANT SUSTAINABLE DEVELOPMENT GOALS



5.1.1

Supplier Planet Initiatives

Partnership with our suppliers is key to effectively addressing the impacts our business has on the Planet. We're led by our established goals and continue to raise the bar in how we work with suppliers to manage their environmental impact.



Since 2018, we've annually monitored the environmental performance of our finished-goods suppliers. As a member of the Sustainable Apparel Coalition (SAC), we leverage the Higg Facility Environmental Module (FEM) to assess the environmental management systems, water effluent, chemicals, energy, emissions and waste of our suppliers.

At the beginning of 2023, we evaluated 97% of our finished-goods suppliers' environmental performance for the 2022 calendar year. Further, in-scope finished-goods apparel suppliers were requested to have their Higg FEM assessment independently verified by a third party[10]. Upon the review of each verified environmental assessment, Aritzia's Sustainability Team works collaboratively with our suppliers to develop Performance Improvement Plans that support and guide the advancement of the facilities' environmental impact.

Aritzia's partnership with suppliers and use of Higg FEM to calculate Scope 3 emissions has been recognized by CDP. For the third consecutive year, Aritzia was included in the CDP Supplier Engagement Leaderboard for the widescale adoption and verification of Higg FEM across our supplier base.

[10] In-scope finished-goods suppliers: those selected to participate in Higg FEM Assessment Verification based on level of partnership and future importance

HIGG FACILITY ENVIRONMENTAL MODULE PERFORMANCE

FINISHED-GOODS SUPPLIERS THIRD-PARTY VERIFIED HIGG FEM (HIGG vFEM) RESULTS

	2019	2020	2021[11]	2022[12] In Progress
	OVERALL			
ARITZIA HIGG vFEM ADOPTION RATE	49%	51%	66%	24%
ARITZIA HIGG vFEM AVERAGE PERFORMANCE SCORE	56%	58%	67%	76%
INDUSTRY AVERAGE HIGG vFEM PERFORMANCE SCORE	53%	56%	66%	60%
	BY CATEGORY (ARITZIA'S FINISHED-GOODS SUPPLIERS)			
ENVIRONMENTAL MANAGEMENT SYSTEMS	57%	63%	72%	80%
ENERGY	67%	76%	82%	96%
WATER	63%	70%	72%	78%
WASTEWATER	72%	75%	77%	81%
AIR EMISSIONS	43%	33%	46%	58%
WASTE	39%	43%	47%	62%
CHEMICALS	36%	39%	40%	50%

[11] Higg vFEM 2021 cycle ended December 31, 2022. Higg vFEM 2021 data has been updated retroactively, from data disclosed in Aritzia Community™ | ESG Report FY2022, to reflect additional suppliers' assessments received

[12] Higg vFEM 2022 data reflects assessments received from suppliers' prior to publication of this report. Higg vFEM 2022 cycle ends December 31, 2023 and data will be updated retroactively in Aritzia Community™ | ESG Report FY2024

5.2

Climate

We seek to reduce emissions and adapt to the impacts of climate change

As the climate crisis accelerates, we recognize the importance of positively contributing toward mitigating its impact. Our climate efforts are closely interlinked with our efforts to improve environmental management across our supply chain, improve our materials and reduce impacts on water.

We're taking a methodical approach to reducing our emission footprint, which started by measuring it. Next, we developed a formal climate strategy and roadmap. As we work toward reducing our Scope 3 emissions, we have neutralized our Scope 1 and 2 emissions through purchasing carbon offsets and Renewable Energy Credits (RECs).

SPOTLIGHT:

Our Climate Journey

This year, Aritzia submitted a letter of intent to the Science Based Targets Initiative confirming our commitment to set greenhouse gas emissions reduction targets within 24 months. We've invested time and resources to getting to this stage.

Here's a summary of how we got to this point.

FOUNDATIONS
Leadership alignment at each step
External systems to optimize tracking and monitoring of climate data
Year over year CDP Climate Change performance improvement (2019: C, 2021: B-, 2022: B)
Rely on third-party certifications and industry-leading frameworks

2017

Conducted our first materiality assessment

First GHG emissions baseline inventory established

2018

Began installing LED retrofit across our own operations

Began to partner with suppliers on measuring and improving their environmental performance

Built out energy & emissions tracking systems

2019

Offset 100% of our Scope 1 emissions and purchased RECs equivalent to 100% of our Scope 2 emissions for the first time

2020

First completion of CDP Climate Change questionnaire

2021

Partnered with climate consultancy to establish climate roadmap and targets

Upgraded our RECs to deliver positive social benefits, in addition to neutralizing our Scope 2 emissions

2022

Conducted our second materiality assessment with a specialty service provider, informed by extensive stakeholder inputs

Signed and submitted a Letter of Intent to the Science Based Targets initiative

2023

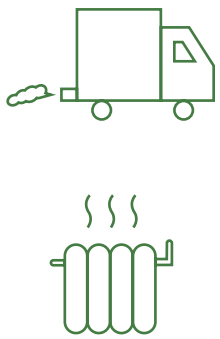
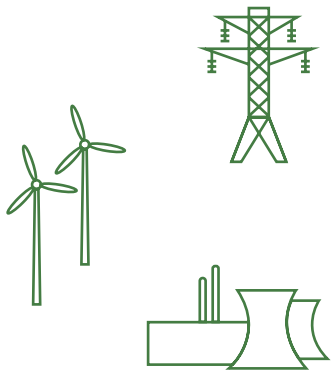
Continuing to assess potential renewable energy investments

5.2.1

Emissions

OUR EMISSIONS INVENTORY

We use a range of industry tools and commission support from specialty service providers to develop Aritzia's annual emissions inventory. Our methodology is aligned with the Greenhouse Gas Protocol, a corporate standard for calculating greenhouse gas emissions. Our emissions growth in 2022 is partially driven by our business growth.

SCOPE 1	SCOPE 2	SCOPE 3
Owned & controlled operations	Owned & controlled operations	All other indirect emissions across value chain not owned or controlled
On-site fuel combustion from heating and cooling our operations and fleet vehicles	Purchased electricity for use across owned & controlled operations	· Raw materials production & fabric production · Finished-goods production · Third-party logistics · Business travel · Capital goods production · Operational waste · Product use & end of product life · Employee commuting · Fuel & energy related activities
2019: 1,608 tCO2e	2019: 2,539 tCO2e	2019: 274,799 tCO2e[13]
2020: 1,278 tCO2e	2020: 2,141 tCO2e	2020: 247,005 tCO2e
2021: 1,560 tCO2e	2021: 2,936 tCO2e	2021: 385,525 tCO2e[14]
2022: 1,888 tCO2e	2022: 3,496 tCO2e	2022: 781,421 tCO2e
		

[13] Scope 3 emissions totals in:
2019 exclude: business travel (partial); fuel & energy related activities;
2020 exclude: business travel (partial)

[14] 2021: Updated Scope 3 figure based on recalculation of product use emissions

OFFSETTING OUR IMPACTS

For the fourth consecutive year, we have continued to offset 100% of our Scope 1 emissions through carbon offsets and purchase RECs equivalent to 100% of our Scope 2 emissions.

SPOTLIGHT:

Supporting Carbon Sequestration Projects

2022

Aritzia's 2022 Scope 1 carbon emissions were neutralized by sourcing carbon offsets from two projects in British Columbia (BC), local to where most of our Scope 1 impact exists.

THE GREAT BEAR RAINFOREST PROJECT

Based in Haida Gwaii, BC, Canada, The Great Bear Rainforest Project protects the largest remaining intact coastal temperate rainforest in the world from harvesting, road building and other forestry operations.

By preserving 14 million acres of this ecologically and culturally rich landscape, Coastal First Nations have been able to create jobs and generate up to 1 million tonnes of carbon dioxide equivalent (tCO2e) credits annually over its 25-year lifespan. This is the first carbon offset project in North America on First Nations territory with unextinguished land rights and title.



The Great Bear Rainforest Project, an Aritzia supported carbon sequestration project

NORTH WOOD PULP RECOVERY BOILER

In a large lumber mill in northern BC, this project oversaw the upgrade of a recovery boiler to improve the efficiency of steam production and utilization as an energy source. This efficiency improvement resulted in the shutting down of one of its four natural gas boilers, which is a more environmentally harmful source of energy. Now, the mill relies on steam utilization to meet 90% of its operational electricity needs.

This upgrade creates an annual 19,000 tCO2e emissions reduction.

2021

THE ANOUROK FORESTRY PROJECT

To offset our Scope 1 emissions from the 2021 calendar year, we supported The Anourok Forestry Project in Cambodia, where some of Aritzia's finished-goods suppliers are based. This project is certified by the Verified Carbon Standard (VCS) and Climate, Community & Biodiversity Standards. The Anourok Forestry Project preserves tropical forests and threatened species and creates new employment opportunities. Additionally, the project has a scholarship program for students to pursue studies in various fields such as environmental sciences.



The Anourok Forestry Project, an Aritzia supported carbon sequestration project

Recognizing that offset and REC purchases have limited advantages and are best utilized as part of a journey of maturity on climate action, Aritzia is currently assessing our renewables strategy for long-term investment.

GOING FORWARD

Due to the complexities and challenges of addressing indirect and dispersed Scope 3 emissions, Aritzia has continued its partnership with a climate consultancy to gain expertise on developing a climate roadmap and emissions reduction targets. As mentioned above, we submitted our letter of intent to the Science Based Targets initiative, stating that we'll set science-based targets within 24 months. We're currently finalizing the details of this roadmap and will prioritize partnerships across our value chain so that we can meet these goals together.

5.2.2

Energy

To reduce our emissions footprint across our Boutiques, Distribution Centres and Support Offices, we've been purchasing RECs in Canada and the USA (equivalent to our electricity consumption) since 2019. In the interest of supporting our overall Community mission, we prioritize purchasing Impact RECs, which deliver benefits to both People and the Planet.



SPOTLIGHT:

Our Purchase of Impact RECs

Aritzia is committed to climate solutions that demonstrate positive social co-benefits. By purchasing RECs generated from the Bright Schools Programs and Posigen Project, Aritzia was able to support the wider community in California and Louisiana. These purchases were made in 2022 to account for our energy consumption in calendar year 2021.

BRIGHT SCHOOLS RENEWABLE ENERGY

The Bright Schools Program supports school districts in adopting solar energy that enables them to save money, while providing clean energy education for students and teachers. This program, implemented through the California Energy Commission, helps identify the most cost-effective energy saving opportunities and supports the installation of photovoltaic solar systems for schools across the state.

POSIGEN ROOFTOP SOLAR

The Posigen project supports low-to-moderate income communities to provide affordable, accessible and resistant electricity in the wake of Hurricane Katrina. Offering clean energy solutions to 100% of solar feasible homes and small business owners, this initiative helps families save money on their utility bills through rooftop solar energy, home battery backup systems and energy efficiency upgrades.

5.2.3

Adaptation & Resilience

Aritzia annually conducts an internal assessment on climate-related risks and opportunities for improvement, which we share in our CDP Climate disclosures. This past year, we also conducted a Materiality Assessment, where Climate Change Strategy emerged as a top priority for our internal and external stakeholders. In our 2022 assessment, we identified the following climate-related risks and opportunities.

CLIMATE-RELATED RISKS & OPPORTUNITIES

RISKS	OPPORTUNITIES
Increased operational costs due to regulatory and market carbon prices rising e.g. price of carbon taxes, Renewable Energy Credits	Energy efficiency programs for operations to reduce costs
Increased cost of raw material due to severe weather events affecting production and supply of raw materials	Efficiency programs at supplier facilities can indirectly reduce production costs
Change in customer behaviour with a preference for products with lower-impact attributes and brands taking action on climate concerns	Increased demand and, as a result, sales of products certified to a sustainability or responsibility standard

5.3

Water

We commit to protect the quality and reduce the usage of water

5.3.1

Water Consumption

We understand that clean, accessible water is essential for healthy communities and ecosystems, and a vital resource to produce our products. To address this, we've been investing in materials and programs that support our suppliers and raw material producers to reduce water consumption across our supply chain.

- The Higg FEM enables us to work with suppliers to assess water consumption, wastewater and the use of chemicals — and to support better management practices by developing Performance Improvement Plans to address any opportunities identified in the assessment.

- A significant portion of Aritzia's water footprint comes from our supply chain, particularly at the agricultural and raw material production stages. To address this, we've been transitioning to more water-efficient raw material alternatives, such as recycled materials, and partnering with organizations like Better Cotton that engage farming communities on efficient water usage.



5.3.2

Chemistry

In pursuit of ensuring the safety of our products, Aritzia has a Restricted Substances List (RSL) which applies to the processing and treatment of materials, and the manufacturing of all exclusive Aritzia products. Our RSL follows government laws and regulatory requirements and requires our suppliers to comply to these testing limits.

In FY24, we will join the Apparel and Footwear International RSL Management (AFIRM) Group. AFIRM is a membership organization of apparel and footwear companies collaborating to promote chemicals management across global supply chains. AFIRM will support our existing due diligence processes and the expansion of our responsible chemicals program.

5.4

Materials

We strive to adopt responsible, sustainable and traceable materials[15]

From the cultivation of natural fibres to the processing of synthetic materials, the activities required to create a finished fabric have significant impacts on the planet. The production of raw materials makes up the majority of our value chain's climate, water and biodiversity impacts. We engage with industry associations, such as Textile Exchange, and third-party certifying bodies to support our adoption of materials that have a lower impact on the planet, source using more responsible methods, use less harmful chemicals and promote circularity.

[15] While Artizia endeavours to adopt lower-impact materials across all our products, all goals and performance data points are based only on our exclusive apparel brands, representing the majority of our material usage

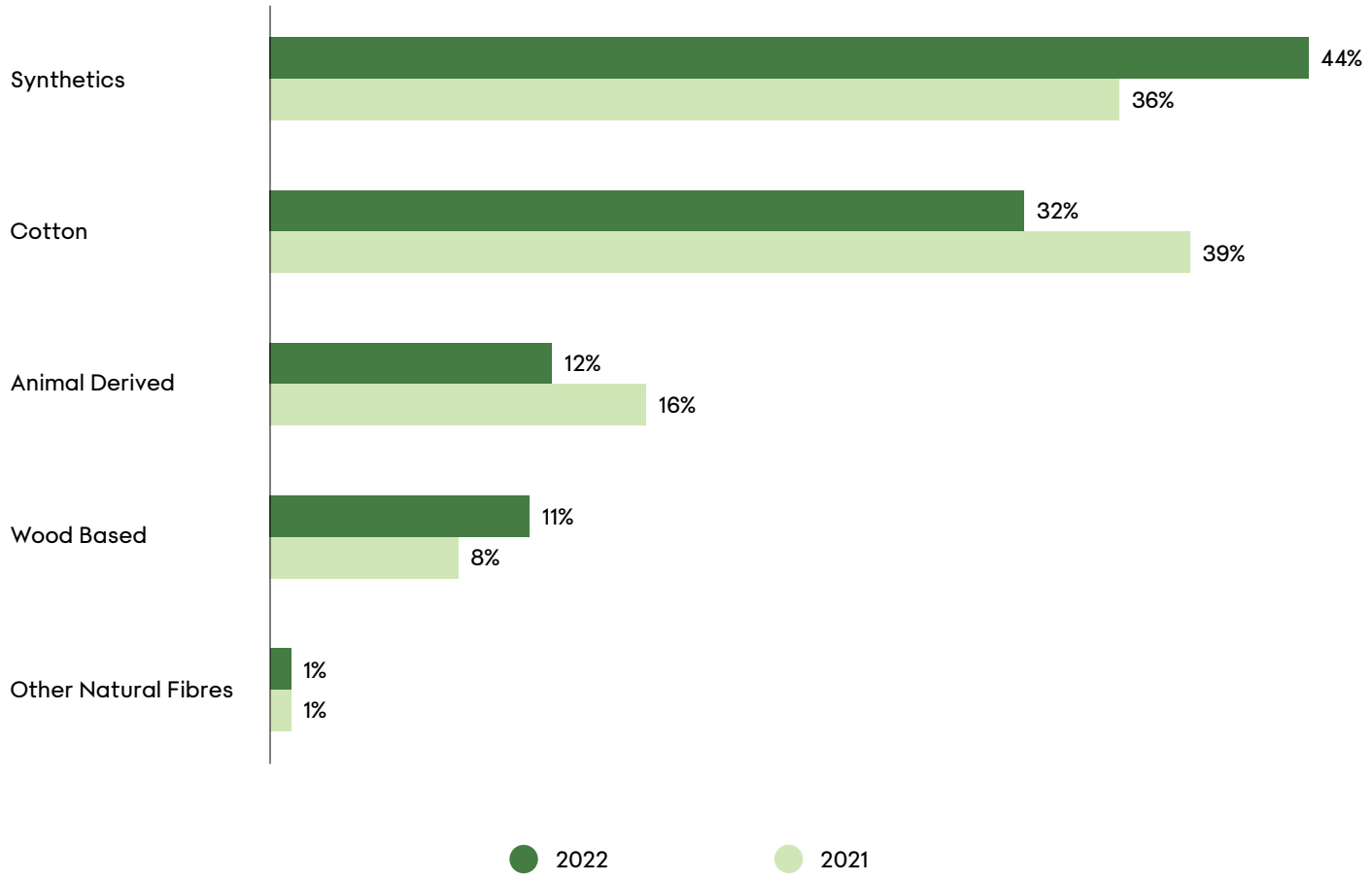
OUR MATERIALS

The raw materials we source for our products include a combination of natural fibres (such as cotton and linen), wood-made cellulosics (viscose, lyocell, and modal — made using wood pulp), synthetics (primarily polyester and nylon) and animal derived (such as down and wool).

This year, we published Aritzia's Materials Sourcing Policy and Animal Materials Sourcing Policy which outlined the practices and commitments we uphold when sourcing materials — expectations that are also required of our suppliers. It's important that our suppliers understand our standards, maintain our commitment to responsible sourcing and are aligned with transitioning our raw materials to lower-impact sources.



2022 MATERIALS USED IN OUR PRODUCTS BY WEIGHT (KG)



In our 2022 collections, we used a total of 12,704,673 kg of raw materials[16] - 44% synthetics, 33% natural fibres, 12% animal-derived materials, and 11% wood-based cellulosics.

In our 2022 collections, 61% of styles contained a lower-impact material, which increased to 64% for our SP23 and SU23 seasons.

This means they either meet a sustainability standard (organic material, recycled material, responsible forestry or animal welfare standard), or were tied to an industry partner that promotes and supports more sustainable and responsible cotton production (Better Cotton). By weight, 35% (4,482,160 kg) of the raw materials used in our 2022 collections met a social or environmental certification. We're working to increase this number with each season.

[16] All material-related data applies to the primary materials used in Aritzia's exclusive brands apparel



5.4.1

Natural Fibres — Cotton & Linen

By FY27, 100% of our cotton will be lower impact (organic, regenerative, recycled, Better Cotton).

While cotton is a renewable commodity, its production can require a significant amount of water, pesticides and fertilizers. Given its impact on the environment and the extent to which we rely on the fibre, Aritzia has continued to prioritize sourcing cotton in more sustainable ways. We're working toward achieving 100% lower-impact cotton, 25% of which will be recycled, by FY27.

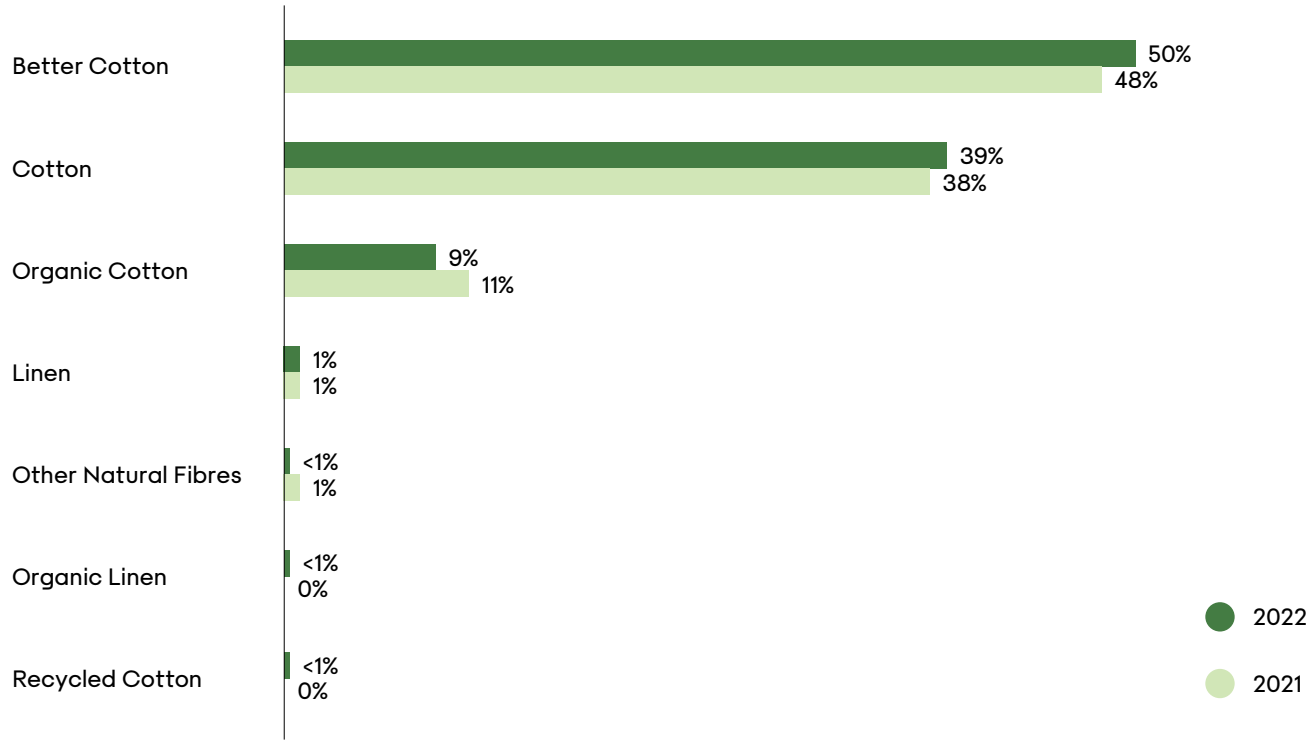
In our 2022 collections, 60% of our cotton, by weight, came from lower-impact sources — with 50% Better Cotton, 9% organic cotton and <1% recycled cotton.

We'll also begin adopting regenerative cotton, which is produced using a holistic farming method that aims to preserve long-term soil health and carbon sequestration with the use of cover crops. Regenerative farming not only protects but enriches biodiversity in surrounding ecosystems. Beginning FA23, 100% of our Denim Forum indigo styles will be made with regenerative cotton, certified by RegenAgri®.



Image courtesy of Better Cotton

2022 ARITZIA NATURAL FIBRE USE (KG)



5.4.2

Synthetics — Polyester & Nylon

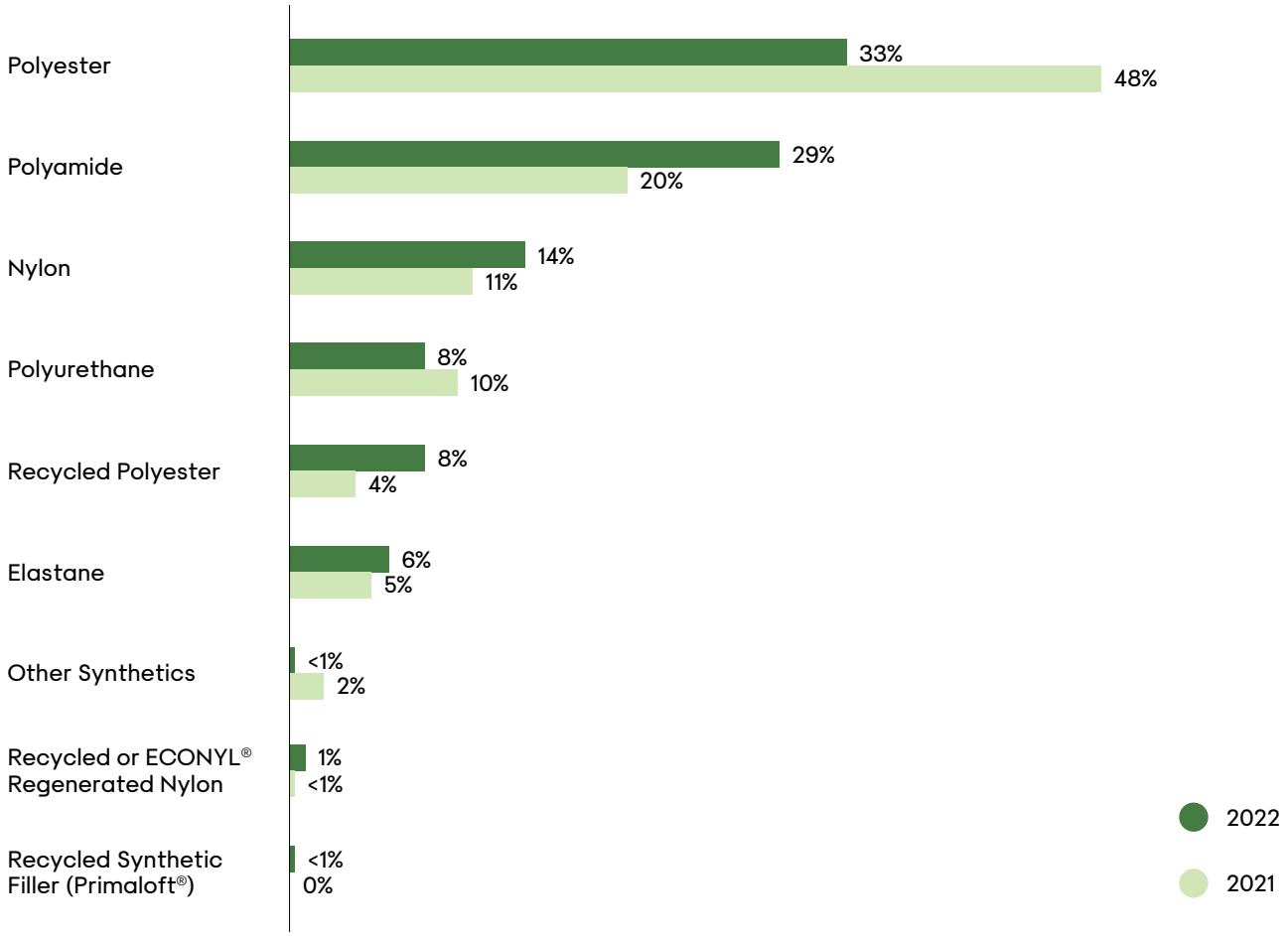
By FY27, 25% of our synthetics will be recycled or bio-based, and, more specifically, 45% of our polyester will be recycled.

With synthetic materials making up a significant portion of Aritzia's 2022 collections, it's crucial that we work toward increasing our use of recycled and regenerated alternatives rather than using conventional nylon and polyester. In 2022, 9% of the synthetic materials we used were recycled or regenerated — specifically, 19% of our polyester was recycled and 3% of our nylon was either recycled or ECONYL® regenerated nylon.

Aritzia's recycled polyester and nylon is either certified by Global Recycle Standard (GRS) or Recycled Claims Standard (RCS), which means our recycled polyester and nylon meet an internationally verified set of standards, ensuring the recycled material is maintained from the recycler through the entire value chain — and all the way to our finished products. The use of recycled polyester and nylon extends the life of materials by putting them back into use and keeping them out of landfills and other end-of-life destinations.

Moving forward, we're fuelled by our goals to create sustainable products without compromising quality. Despite limited industry-wide supply of recycled synthetic materials that meet our standards, we're working to increase our adoption of such fabrics to meet our material-sourcing targets, while maintaining our commitment to Everyday Luxury.

2022 ARITZIA SYNTHETICS USE (KG)



5.4.3

Animal Derived – Down, Wool & Cashmere

By FY27, 100% of our animal-derived materials will be more responsible or recycled.

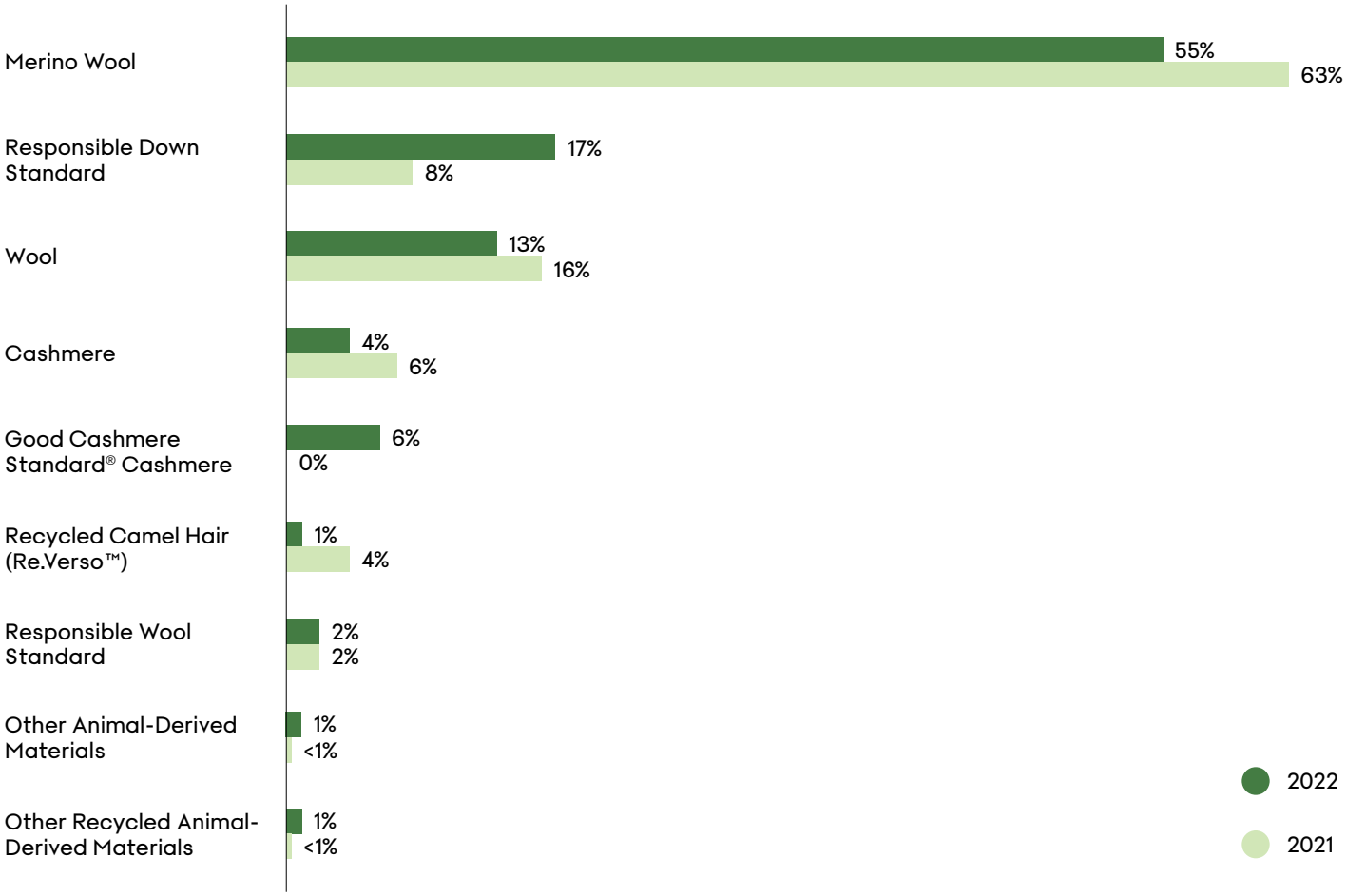
We prefer high-performing, long-lasting, renewable and responsibly sourced materials. We prioritize adopting materials that meet animal welfare standards, which often create mutual benefits for the protection of biodiversity through sustainable land management. Our Materials Sourcing Policy and Animal Materials Sourcing Policy outline our requirements for sourcing animal-derived materials in a more responsible way. We apply this approach to all suppliers involved in the production or manufacturing of Aritzia products, fabrics or other components that contain animal-derived materials. The standards set in these policies are informed by leading certification bodies, industry associations, animal welfare organizations and guiding principles, such as The Five Freedoms.

We use Responsible Wool Standard (RWS) certified wool, Responsible Down Standard (RDS) certified down, and, since fall 2022, Good Cashmere Standard (GCS) certified cashmere.

In 2022, 98% of the down in our product, by weight, was RDS certified and 2% was recycled. Further, 60% of our cashmere was GCS certified and 1% was recycled. To extend our support and commitment to animal welfare, we prohibit the use of fur and angora in our products — and didn't use any mohair in any of our 2022 collections.

Overall, 26% of all animal-derived materials used came from responsible or recycled sources, which is almost double our positive impact from last year.

2022 ARITZIA ANIMAL-DERIVED MATERIAL USE (KG)



SPOTLIGHT:

Good Cashmere Standard

Aritzia is proud to have joined The Good Cashmere Standard® (GCS) by the Aid by Trade Foundation. The GCS is an independent standard for responsible cashmere that works to improve the welfare of cashmere goats, the working conditions of farmers and the environments in which they live. Across our fall and winter 2022 cashmere styles, 52% are certified to GCS — a number we're continually growing.

Starting FA23, 100% of the cashmere we use in our apparel products will be GCS certified.



Cashmere farm certified by The Good Cashmere Standard® by AbTF

5.4.4

Wood Based – Viscose, Lyocell & Modal

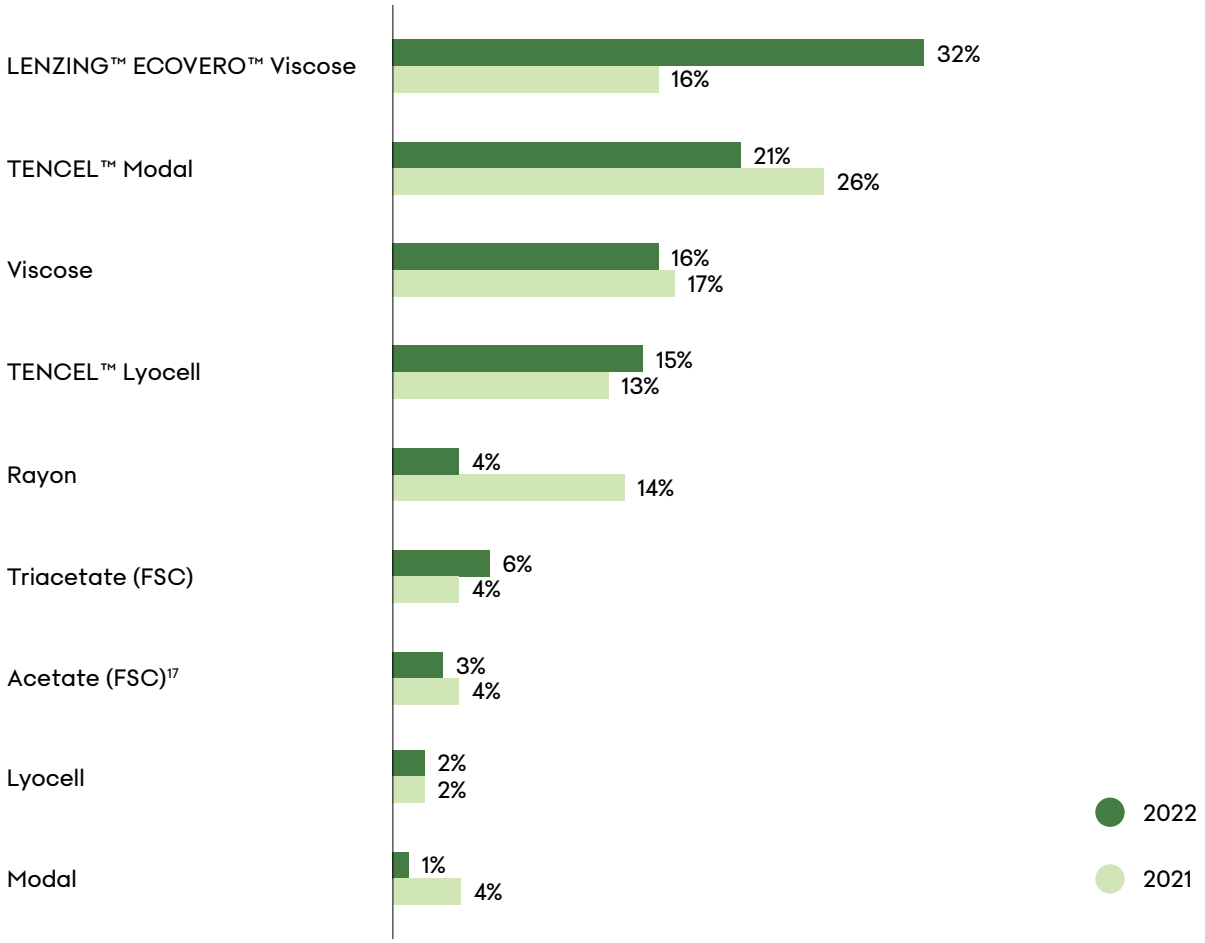
To protect endangered and ancient forests, Aritzia has been a signatory to the Canopy Style Commitment, led by Canopy, since 2014. This non-profit organization is focused on the protection of ancient and endangered forests, sourcing viscose and related wood-based materials from sustainable sources. Since joining, we've achieved our initial target to source 100% of our wood-based cellulosic fibres from forests that are not endangered or ancient.

To illustrate our commitment to this cause, we've taken things one step further by sourcing wood-based fibres from forests that are certified to a responsible standard, such as Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC). We'll continue our commitment to source all wood-based cellulosics from responsibly managed forests.

By FY27, 100% of our wood-based cellulosic will be sourced from Canopy Green Shirt suppliers.

Lenzing Group is an industry-leading company that uses natural, wood-derived materials from renewable and responsibly certified sources to make sustainable cellulosic fibres that are processed with unique resource-conserving technologies. We're proud to partner with Lenzing and use their fibres such as LENZING™ ECOVERO™ Viscose, TENCEL™ Modal, and TENCEL™ Lyocell fibres — all of which are derived from renewable or certified sustainably managed wood sources. In 2022, 32% of our wood-based cellulosic materials were LENZING™ ECOVERO™ Viscose, 21% TENCEL™ Modal and 15% TENCEL™ Lyocell.

2022 ARITZIA WOOD-BASED CELLULOSICS USE (KG)



[17] Acetate was previously included under "Other Synthetics" in 2021 Raw Material reported values. In 2022, acetate was corrected to be classified as a wood-based material. As a result, values for Aritzia's Wood-Based Material 2021 breakdown have been updated to reflect this correction

5.4.5

Product Circularity

By FY27, 100% of our designers will be trained on circular design principles.

We design, develop and manufacture top-quality products that are timeless and intended to last. To continuously develop products that meet this criteria, we're working to integrate circularity into three stages of our product: design, use and end of life. This year, we focused on setting up foundations for product circularity by conducting an internal assessment to identify circularity opportunities in our product lifecycle and map current processes against this assessment. This assessment informed us to develop a framework which will guide our approach and future strategies for product circularity.

In support of our commitment to creating products that last, in early FY24, we'll be launching a Fabric Care Guide on aritzia.com. The objective of the page will be to provide tips for our clients to extend the life of their clothes and how to best make them last.

All products that we're unable to sell, including defective or sample product, are either donated to partners (such as Union Gospel Mission) or we partner with Debrand, an organization that finds opportunities to divert Aritzia fabric scraps and unsellable product from landfills by giving them alternative end-of-life solutions.

We recognize that we're at the beginning of this journey and look forward to seeing how circularity will unfold alongside our long-term strategies.

SPOTLIGHT:

Repair to Wear

Aritzia has donated more than 100,000 items to UGM across all product categories, from warm winter coats to silk dresses. Aritzia's product donations go directly to women in UGM's programs and support the Repair to Wear program — an empowerment initiative that teaches women skills to repair garments. The program provides a training ground, flexible work, community resources and a source of revenue. UGM offers services and support for homelessness and addiction in Vancouver's Downtown Eastside, one of Canada's most marginalized neighborhoods, where our Vancouver Support Office is located.

"I've always attended Repair to Wear and one time, I was making a joke to Doris, the Sewing Coordinator, and said, 'I should come work with you!' It's something I'm gifted at and my desire was to help other women. I'm doing something I'm gifted at and love." — Janice, one of Repair to Wear's participants

By learning sewing skills, generating income and mending donated garments, women from UGM's recovery program gain self-confidence, dignity and purpose, leading to transformed lives. This ongoing, profitable social enterprise program also generates revenue to help fund other programs at UGM. In the past year, 320 residents and alumni participated in the Repair to Wear program, with over 79 workshops.



Union Gospel Mission, Repair to Wear program participant

5.4.6

Packaging

By FY27, 90% of customer packaging will include 100% lower-impact and only recyclable materials.

Aritzia is committed to reducing the impact of the packaging we use to transport products between our suppliers, Distribution Centres, Boutiques and clients. In our client-facing packaging, we recognize the extent to which we rely on paper-based materials derived from forests, which are a critical component to a thriving ecosystem.

Reducing the use of plastic polybags is an environmental challenge across the apparel industry. While polybags keep products protected during their shipping process from suppliers, they create significant plastic waste. In response to this challenge, Aritzia piloted an initiative to transport products, identified as suitable, without being individually wrapped in polybags. While this successfully reduced our use of plastic, we're continuing to explore scalable alternative packing and shipping methods that reduce plastic waste without compromising the protection of our product during transport.

SPOTLIGHT:

Responsibly Sourced Retail & eCommerce Packaging

Aritzia is a supporting partner of Canopy's Pack4Good initiative. As such, we've made a range of commitments to source paper-based packaging that's made from recycled content and/or sourced from forests certified by the Forest Stewardship Council (FSC) system or they're 100% recyclable.

We're proud to have met the commitment to source 100% of our paper-based eCommerce and retail packaging from non-ancient and non-endangered forests.

In addition to being FSC certified, in FY23, 80% of our retail bags were made from 40% post-consumer waste paper. Further, our retail bag handles are either made from 30% recycled content or they're 100% recyclable.



5.4.7

Waste

Our value chain's largest waste footprint is during manufacturing and at the products' end of life, whereas across our direct operations, it is less significant.

We recognize the importance of addressing waste across our entire value chain and understand that we have a long way to go. To date, we've mobilized local partnerships around our VSO to help divert waste from our offices and lessen the impact of our daily operations while simultaneously benefiting our People and the communities that surround us.

Within our supply chain, and as part of our requirements, our suppliers use Higg FEM to monitor and identify opportunities to reduce their waste (our upstream waste). As we work more closely with our suppliers to address environmental impacts, we will further their waste reduction solutions.

Our most significant opportunity to reduce waste exists at our products' end of life and finding ways to increase product longevity or find alternative end-of-life solutions.

Read more about our existing product-end-of-life solutions in the Product Circularity section, 5.4.5, of this report.

SPOTLIGHT:

Community Partnerships to Tackle Waste

BINNERS' PROJECT

For over two years, we've partnered with Binners' Project — a group of informal recycling collectors dedicated to social and economic inclusion and waste diversion in Vancouver's Downtown Eastside. Our partnership has helped us increase our waste diversion rate at VSO, keep items out of landfills and provide paid work to local community members as well as additional income through the deposit of refundable containers, such as bottles and aluminum cans.

CHOPVALUE

ChopValue is a B-Corp organization dedicated to urban harvesting of used chopsticks to recycle into home goods that last. Aritzia has a continued partnership with ChopValue, upcycling our VSO employees' used chopsticks as well as using some of ChopValue's beautifully designed products in our offices.

VANCOUVER FOOD RUNNERS

Food Runners is a registered charity whose mission is to respond to the disconnect between the large amount of surplus food that's available and the high level of food insecurity that exists in the community. In FY23, Aritzia donated a total of 5000 surplus meals to non-profit organizations that support residents in Vancouver experiencing food insecurity.



Vancouver Food Runners

6.0

GOVERNANCE



6.1

Materiality

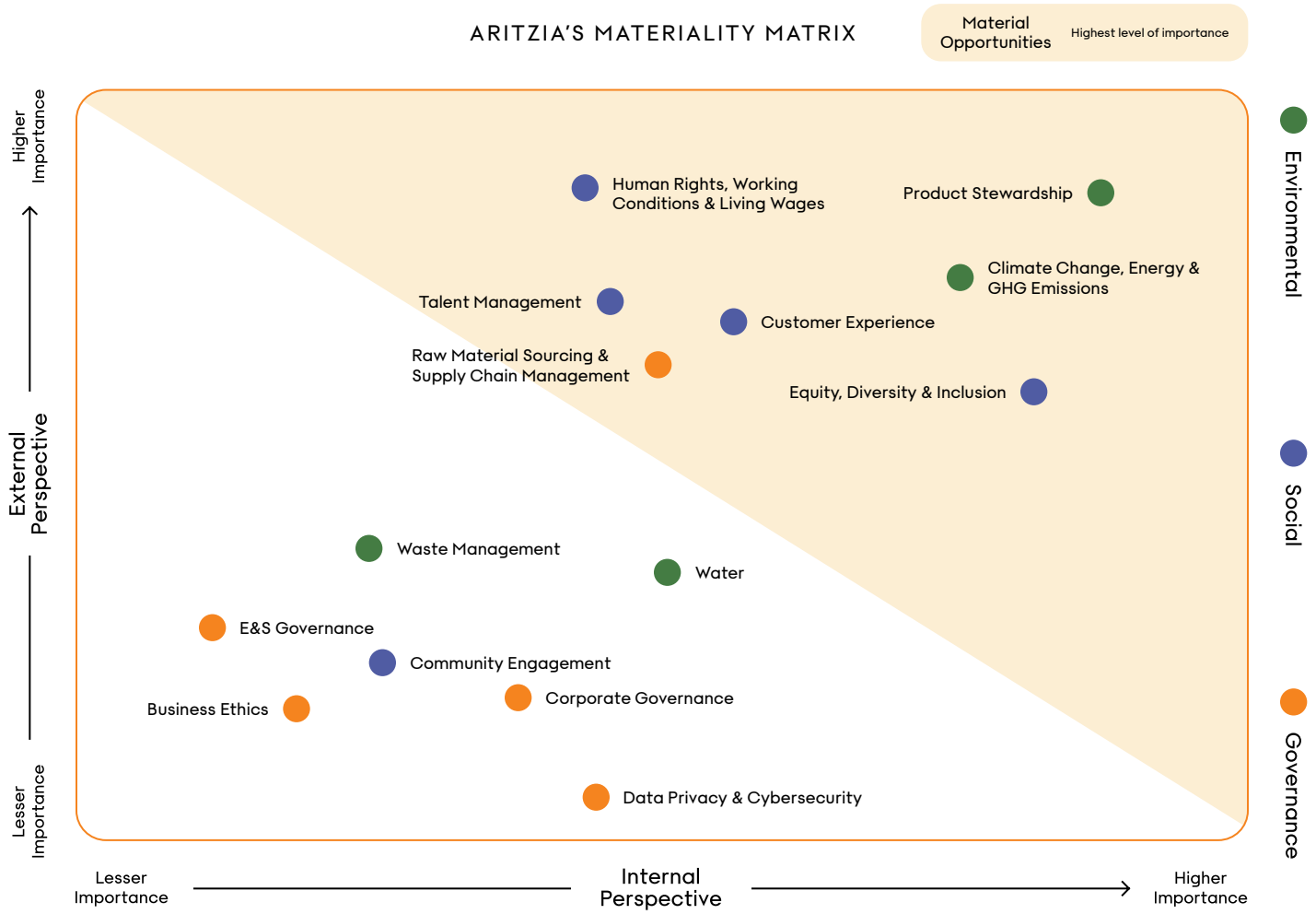
This year, we conducted a materiality assessment to evaluate alignment of our Community strategy with the People and Planet issues that matter most to our stakeholders. Our process included the following steps:

- Issue identification by collecting a full list of potential material topics
- Stakeholder input through surveys and interviews with both internal and external stakeholder and a deck-based landscape review to rank priority level of each issue.
- Commissioned an external specialist consultancy to review methodology and findings to ensure reliable, accurate and comprehensive results
- Strategic and disclosure alignment as findings are used to inform future Community priorities setting and communications

Following these steps, we found that priority issues varied slightly across stakeholder groups: Aritzia Senior Leadership Team, Aritzia Environmental and Social Committee of the Board, investors, employees, suppliers and clients. However, there was a consistent focus on the following topics:

1) Product Stewardship
2) Human Rights, Working Conditions & Living Wages
3) Climate Change, Energy & GHG Emissions

There were seven material opportunities that were most frequently ranked at the highest level of importance across internal and external stakeholders, as seen in the top right section of the matrix below. The other seven topics (bottom left), while not top priorities to all stakeholders, remain important issues on Aritzia's radar.



COMMUNITY	MATERIAL TOPIC BREAKDOWN	REFERENCE
PEOPLE	COMMUNITY ENGAGEMENT · Community engagement & donations · Employee volunteering	4.4 People — Communities
	CUSTOMER EXPERIENCE · Brand values alignment · Customer satisfaction & experience · Healthy lifestyles	4.4.2 Communities — Wellbeing
	EQUITY, DIVERSITY & INCLUSION · Employee equity, diversity & inclusion · Inclusive products & services	4.2.3 Our People — Belonging
	HUMAN RIGHTS, WORKING CONDITIONS & LIVING WAGES · Manufacturing human rights & working conditions · Fair & living wages for suppliers	4.3 People — Supply Chain
	TALENT MANAGEMENT · Employee relations & retention · Employee skills & training · Employee talent acquisition · Employee wellbeing	4.2 People — Our People
PLANET	CLIMATE, ENERGY & GHG EMISSIONS · Climate change strategy · Energy & emissions (manufacturing) · Energy & emissions (owned operations & logistics)	5.2 Planet — Climate
	PRODUCT STEWARDSHIP · Product circularity & end of life · Product & materials sustainability · Product quality & safety · Sustainable packaging	5.4 Planet — Materials
	WATER · Water (consumption, chemicals & effluent)	5.3 Planet — Water
	WASTE MANAGEMENT · Manufacturing waste management · Operational waste management	5.4.7 Materials — Waste

COMMUNITY	MATERIAL TOPIC BREAKDOWN	REFERENCE
GOVERNANCE	BUSINESS ETHICS · Anti-corruption · Lobbying & political involvement · Tax strategy	6.4 Governance & Risk — Responsible Business Conduct
	CORPORATE GOVERNANCE · Board structure & ownership · Risk management · Stakeholder engagement strategy	6.1 Governance — Materiality 6.4 Governance & Risk
	DATA PRIVACY & DATA SECURITY · Data privacy & cyber security	6.4 Governance & Risk — Responsible Business Conduct
	E&S GOVERNANCE · Sustainability accountability of board & leadership	6.4 Governance & Risk
	RAW MATERIAL SOURCING & SUPPLY CHAIN MANAGEMENT · Animal welfare · Supply chain traceability	4.3 People — Supply Chain 5.4 Planet — Materials

6.2

Reporting Frameworks

6.2.1

UN Global Compact

Aritzia has been a signatory of the UN Global Compact since 2021. The Aritzia Community™ | ESG Report FY2022 served as our first communication on progress, demonstrating our commitment to the UN Global Compact's Ten Principles for responsible business.

SPOTLIGHT:

Aritzia Performance on CDP Climate

Aritzia recognizes CDP as a leading environmental disclosure platform to help guide our unending journey to address and mitigate climate change. Since 2020, we've responded to the CDP Climate Change questionnaire, initially attaining an average industry-level score before achieving an above-average score in 2022. We're driven by this measured growth and feel inspired to continuously improve. What's more, we've been listed on the supplier engagement leadership board for the past three years following our adoption and verification rates of Higg Facility Environmental Module.

Annually, we've improved our score incrementally, which represents the increase in our efforts on climate and to disclose transparently.

Aritzia scores:

- 2020 score: C (average industry score: C)
  - Supplier engagement leadership board
- 2021 score: B- (average industry score B-)
  - Supplier engagement leadership board
- 2022 score: B (average industry score: C)
  - Supplier engagement leadership board

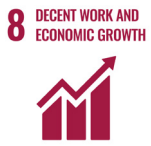


The Great Bear Rainforest Project, an Aritzia supported carbon sequestration project

6.2.2

The United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development provides context as we address our Community objectives.

SDG GOAL	DEFINITION	REFERENCE
	Ensure healthy lives and promote wellbeing for all, at all ages	4.2.2 Our People — Wellbeing 4.4.2 Communities — Wellbeing
	Achieve gender equality and empower all women and girls	4.2.3 Our People — Belonging 4.4.3 Communities — Belonging
	Ensure availability and sustainable management of water and sanitation for all	5.3 Water
	Promote sustained, inclusive, sustainable economic growth; full, productive employment and decent work for all	4.0 People
	Reduce inequality within and among countries	4.2.3 Our People — Belonging 4.4.3 Communities — Belonging
	Ensure sustainable consumption and production patterns	5.0 Planet
	Take urgent action to combat climate change and its impacts	5.2 Climate
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss	5.2 Climate 5.4 Materials

6.2.3

Sustainability Accounting Standards Board (SASB) Index

SASB Standard – Apparel Accessories and Footwear.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA	REFERENCE
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substance regulations	Discussion and Analysis	N/A	CG-AA-250a.1		5.3.2 Chemistry
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-AA-250a.2		5.3 Water
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Quantitative	Percentage (%)	CG-AA-430a.1	Not Disclosed	5.1.1 Supplier Planet Initiatives
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	Percentage (%)	CG-AA-430a.2	97% of Aritzia's finished- goods suppliers' facilities completed the 2022 Higg FEM assessment	5.1.1 Supplier Planet Initiatives

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA	REFERENCE
Labour Conditions in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labour code of conduct and (3) percentage of total audits conducted by a third-party auditor	Quantitative	Percentage (%)	CG-AA-430b.1	84% of finished-goods suppliers' facilities audited to the Aritzia Supplier Code of Conduct Monitoring expanded beyond Tier 1 in FY23 100% of total audits were conducted by third-party auditors	4.3.2 Workplace Standards
	Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits	Quantitative	Rate	CG-AA-430b.2	In FY23, 4% of facilities were rated critical (below baseline compliance with Aritzia Supplier Code of Conduct)	4.3.2 Workplace Standards
	Description of the greatest (1) labour and (2) environmental, health and safety risks in the supply chain	Discussion and Analysis	N/A	CG-AA-430b.3	Not Disclosed	4.3 Supply Chain
Raw Materials Sourcing	Description of environmental and social risks associated with sourcing priority raw materials	Discussion and Analysis	N/A	CG-AA-440a.1		5.4 Materials 6.1 Materiality
	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	Quantitative	Percentage (%) by weight	CG-AA-440a.2	· Total Materials: 35% · Cotton: 60% · Wood-based cellulosics: 77% · Polyester: 19% · Nylon: 3% · Wool: 4%	5.4 Materials
	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	76 active finished-goods facilities	4.3 Supply Chain

6.3

Partnerships

Understanding that we make the greatest environmental and social impact by collaborating with organizations that are dedicated to making system-change across our industry, we're intentional about aligning with initiatives that reflect our values and foster positivity in the communities we impact locally, and across the globe.

Below are the organizations that we engaged with this year, that are spotlighted throughout this Report.

People Partners, Memberships and Collaborations

BetterWork

Big Brothers Big Sisters OF CANADA

BORN THIS WAY FOUNDATION

THE BROTHERHOOD SISTER SOL

The Canadian Journalism Foundation
La Fondation pour le journalisme canadien

cause we care FOUNDATION

jack.org

MINERVA

ORANGE SHIRT SOCIETY
EVERY CHILD MATTERS

POW WOW PITCH

STONEWALL Community Foundation

THE CIRCLE LE CERCLE

UNION GOSPEL MISSION

URBAN NATIVE YOUTH ASSOCIATION

YWCA CANADA
NATIONAL ADVOCACY. COMMUNITY ACTION.
UNE VOIX NATIONALE. DES ACTIONS LOCALES.

Planet Partners, Memberships and Collaborations

6.4

Governance & Risk

6.4.1

Governance

GOVERNING IMPACT ACROSS COMMUNITY

With Community as a key priority, we've established strong leadership at the highest level of our business to support People and Planet initiatives and remain accountable to making continuous progress.

In January 2022, Aritzia formalized its approach to overseeing environmental and social (E&S) issues by establishing the Environmental and Social Committee of the Board to guide and inform Aritzia's E&S strategies. The members of the committee are David Labistour, Marcia Smith, John Montalbano and Daniel Habashi. Having completed our first full fiscal year of quarterly Environmental and Social Committee meetings, Aritzia's supporting Community functions have felt the value of consistent expert guidance to drive People and Planet initiatives forward.

Internally, Aritzia's Chief Executive Officer and Aritzia's Interim Chief Marketing Officer have full oversight and accountability for Aritzia's Community strategy, activities and performance. In FY23, Aritzia also formed a Community Committee, comprised of cross-functional executives and leaders, to act as a central body that manages business activities related to People and Planet. Leadership and execution of People and Planet priorities are shared across several areas of the business including our Sustainability Team which covers social impact across our supply chain and environmental impact across our value chain; our Community Giving Team; Enterprise Risk Management (ERM) ; and our People & Culture Teams who oversee Employee Engagement, Equity, Diversity and Inclusion.

RESPONSIBLE BUSINESS CONDUCT

Being responsible is foundational to how we do business. We have policies and teams in place to maintain accountability, including the following.

- For all the People that work within and with Aritzia, we follow and uphold an Aritzia Code of Conduct — outlining Aritzia's commitment to conducting business with honesty and integrity. This year, we launched a new team dedicated to People Practices and Compliance to develop, execute and maintain progressive and equitable employment policies and practices.
- Client privacy is of critical importance to Aritzia. We have a Privacy Policy which outlines how Aritzia handles personal information.
- We have a Supplier Code of Conduct which outlines our expectations and requirements regarding the social and environmental responsibility of our suppliers.
- For responsible sourcing and product quality and safety, we have a Restricted Substances List, Animal Materials Sourcing Policy and a Materials Sourcing Policy.

6.4.2

Risk Management

We integrate risk management into our daily operations and long-term ESG objectives. In FY23, the ERM Department partnered with a leading consultancy to engage cross-functionally in risk identification and prioritization workshops. The workshops' output led to an update to our enterprise risk register. Our ERM Department worked closely with our Sustainability Department to ensure that all identified risks were integrated into our materiality assessment as necessary. In FY24, ERM will continue partnering with management and the Sustainability Department to manage and mitigate key ESG risks.

We conduct climate-related risks and opportunities assessments, and human rights impact assessments across our value chain. In addition, management and the ERM Department proactively and periodically assess the risk of new and existing sourcing countries and business vendors — the results of which are factored into our business strategies and operations.

Our risk management principles are promoted at an executive level and through employee training. Aritzia's Board of Directors, in conjunction with management, is responsible for identifying the principal risks of the company's business and overseeing the implementation of appropriate systems to effectively monitor, manage, and mitigate the impact of such risks. Our Vice President of Enterprise Risk Management and Chief Financial Officer oversee all ERM activities and have overall accountability for Aritzia's ERM strategies. We publicly disclose our emerging strategic, reputational, operational and financial risks as well as mitigation strategies in our Annual Information Form, including ESG risks in the "Risk Factors" section.

We will continue to identify and manage risks through ongoing assessments and mitigation strategies and report identified risks in our Annual Information Form.



7.0

APPENDIX



7.1

Glossary

TERM	DEFINITION
Belonging	One of Aritzia's three Community People pillars. Belonging refers to Aritzia's accountability and activities related to equity, diversity and inclusion (EDI).
Carbon Offsets	Carbon offsets are issued by projects whose activities lower the amount of carbon dioxide emitted (or already existing) in the atmosphere. Each carbon offset absorbs one tonne of carbon dioxide from the atmosphere. Through the purchase of carbon offsets equivalent to carbon emissions, emissions are neutralized.
Climate	One of Aritzia's three Community Planet pillars. Climate refers to the activities of Aritzia and its value chain that relate to emissions, energy, adaptation and resilience.
Client	This refers to anyone who purchases products from Aritiza on aritzia.com or in our Boutiques.
Community	At Aritzia, Community encompasses our strategy, commitment, philosophy and contributions toward People and the Planet.
DC	Distribution Centre (DC) refers to Aritzia's owned facility where products are received from suppliers and distributed to clients and Boutiques. This does not include Aritzia's third-party logistics providers.
Fabric Supplier	A company that manufactures textiles and other fabric products using raw materials. Typical processes include spinning, weaving and knitting. Also known as Tier 2 supplier.
Facility vs. Supplier	Suppliers refer to the governing companies Aritzia sources products or materials from who may own more than one facility where production or manufacturing activities take place.
Finished-Goods Supplier	A company that completes the manufacturing process, which often includes cutting, sewing and assembling of finished garments. Also known as Tier 1 supplier.
Greenhouse Gas (GHG)	Greenhouse gases trap heat in from the sun, causing the planet's average temperature to increase. The primary sources of greenhouse gas emissions are caused by human activities, including burning fossil fuels for electricity, heat and transportation.
Higg FEM	The Higg Facility Environmental Module (FEM) is an industry tool, developed by the Sustainable Apparel Coalition, used to evaluate the environmental management and performance of suppliers against key impact areas: environmental management systems, water effluent, chemicals, energy, emissions and waste.
Informal Training	At Aritzia, this includes onboarding support, on-the-job coaching, guidance from managers and leaders, and developmental conversations.
In-Scope Suppliers	This refers to suppliers included in a given program based on whether they meet or exceed Aritzia's production unit threshold within a specified period.

TERM	DEFINITION
Lower Impact	This is a descriptor of products, materials or practices that cause less harmful impact to the environment, relative to their conventional counterparts.
Materiality Assessment	A materiality assessment is the process of identifying, refining and assessing relevant ESG risks and opportunities that impact, or could impact, a business' operations and their internal or external stakeholders.
Materials	One of Aritzia's three Community Planet pillars. Materials encompasses those used in our products (including but not limited to synthetic, plant based, animal derived); materials used in our packaging; as well as the end-of-life destination and waste of all materials (product, packaging and domestic).
Opportunity	One of Aritzia's three Community People pillars. Opportunity refers to the jobs, wages, benefits, investments and tools provided to people by Aritzia.
People	People, with a capital 'P', refers to our own employees who work within our Support Offices, Distribution Centres, Boutiques and Concierge Team.
Renewable Energy Credits (RECs)	Renewable Energy Credits (RECs) represent energy generated by renewable energy projects, such as solar or wind power initiatives, that Aritzia supports through the purchase of credits. RECs represent the clean energy attributes of renewable electricity and are not equivalent to purchasing electricity.
Scope 1 Emissions	Scope 1 emissions are direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by an organization.
Scope 2 Emissions	Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.
Scope 3 Emissions	Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain.
Social Impact	The impact of Aritzia's programs focused on respecting and upholding human rights and workplace standards for our supplier's workers.
Specialty Service Providers	This refers to third-party individuals or organizations hired by Aritzia to carry out specified work and provide a specialized set of knowledge or capabilities.
Trim Supplier	A company that manufactures materials or components used in clothing that are not the main fabric like zippers, linings, buttons and tags.
Value Chain	The entire scope of processes and activities that Aritzia's business impacts, from raw material extraction in our upstream operations to product design in our direct operations, all the way to our products' end of life in our downstream operations.
VSO	Vancouver Support Office (VSO) is Aritzia's headquarters in Vancouver, BC, Canada where the majority of Aritzia's corporate employees work.

TERM	DEFINITION
Water	One of Aritzia's Community Planet pillars. Water refers to the activities of Aritzia and its value chain that relate to freshwater consumption and chemicals use.
Wellbeing	One of Aritzia's three Community People pillars. Wellbeing refers to the activities and support that Aritzia provides regarding mental, physical, financial and social health.
Women[Women]	The strength that comes from women supporting other women, or women to the power of women.
Workers	This refers to employees working at Aritzia's manufacturing suppliers.

7.2

CYC Scoping Analysis

CYC Scoping Analysis for Aritzia Community™ | ESG Report FY2023

On June 25, 2021, Aritzia acquired 75% of the common shares in CYC Design Corp. (CYC), a leading designer and manufacturer of premium athletic wear, Reigning Champ (RC). CYC's results of operations, financial position, and cash flows are included in Aritzia's consolidated financial statements from the date of acquisition. The remaining 25% interest held by CYC shareholders was accounted for as a financial liability.

FINANCIAL IMPACT ANALYSIS

CYC comprises approximately 1.1% of Aritzia's consolidated total assets and 0.3% of Aritzia's consolidated net revenues. Based on the above, management concluded that CYC's impact to Aritzia's total financial position and financial results is not material.

GREENHOUSE GAS EMISSIONS IMPACT ANALYSIS

CYC's impact on Aritzia's Annual GHG Emission Inventory for Fiscal 2023 have been calculated using the Cost of Goods Sold spend-based methodology. CYC's GHG emissions represent approximately 0.34% of Aritzia's Annual GHG Emission Inventory for Fiscal 2023. Based on the above, management concluded that CYC's impact to Aritzia's Annual GHG Emissions Inventory is not material.

FORWARD LOOKING

Management will continue to assess the impact of any forecasted growth of CYC's operations to Aritzia's consolidated sustainability-related KPIs and metrics and potential future inclusion.



THANK YOU



For more information, contact us:

Investor Relations
Investors@aritzia.com
604-215-6557

Sustainability
Sustainability@aritzia.com
604-251-3132

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