



# OUR SOCIAL FABRIC

**tapestry**

2019 CORPORATE RESPONSIBILITY REPORT

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# OUR REPORT

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# A LETTER FROM OUR CEO

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It is in times of uncertainty when large corporations, like ours, have the greatest responsibility to our people and the communities we are a part of. At our best, corporations have clarity of purpose. This clarity, plus our resources and reach, multiply our influence for good, or bad, as we make decisions that impact employees and members of society.

With COVID-19's rapid spread across the globe, we are living through a period of historical significance that will impact each of our lives for years to come. This is a moment when our actions are particularly important. At Tapestry, our teams have shown great resilience, reflecting our inclusive and optimistic values. I am pleased that the Coach Foundation committed \$2 million to support small businesses in New York City who have been hit incredibly hard by the COVID-19-driven downturn. The NYC Department of Small Business Services has structured a Small Business Continuity Fund to make loans available for businesses to get back on their feet. Now is an important moment for us to invest capital and our global insights into the city where each of our three brands were founded. Coach, kate spade new york and Stuart Weitzman were once small businesses, and we are proud to partner with New York City.

We are encouraged by our achievements during 2019. Since establishing our 2025 corporate responsibility goals one year ago, we have almost tripled our Renewable Energy Certificate purchases, going from 1,335 MWh in 2018 to 3,433 MWh in 2019. We have increased our adoption of recycled polyester, diverting 27 million plastic bottles from landfills, and donated over \$22 million through the Coach and kate spade new york Foundations. We were listed on the Forbes 2020 "Best Employers for Diversity" list for the third consecutive year, and achieved our sixth consecutive score of 100 on the Human Rights Campaign Corporate Equality Index (CEI) "Best Places to Work for LGBTQ Equality."

2020 marks the 50th anniversary of Earth Day. The road ahead represents our biggest test yet. But it also represents a real opportunity. More than ever, we are focused on driving meaningful positive change for the betterment of our employees and their families, our partners, our communities, and for a safe and sustainable planet. At Tapestry, we believe that addressing challenges is better done together. We hope you will join us on this journey.

A handwritten signature in black ink, reading "J. Zeitlin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jide Zeitlin  
Chairman and Chief Executive Officer

# ABOUT OUR 2019 CORPORATE RESPONSIBILITY REPORT

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As a truly global house of brands, we operate in over 65 countries, with 21,000 employees across Tapestry, Coach, kate spade new york and Stuart Weitzman, generating \$6 billion in annual revenues in 2019.

We built Tapestry upon values of optimism, innovation and inclusivity. This, our seventh annual Corporate Responsibility Report, provides highlights, updates and performance data for fiscal year 2019 (from July 1, 2018 to June 29, 2019).

For more information on our Corporate Responsibility program, Our Social Fabric, a section of the Tapestry website, houses news announcements and program highlights, as well as comprehensive information pertaining to our overall strategy. You can access this website at [www.tapestry.com/responsibility](http://www.tapestry.com/responsibility).

We also publish a GRI Standards Index, which can be found at [www.tapestry.com/responsibility](http://www.tapestry.com/responsibility).

## ABOUT TAPESTRY

Tapestry is a global house of modern luxury lifestyle brands powered by optimism, innovation, and inclusivity. We believe true luxury is a freedom of expression that ignites confidence and authenticity. At Tapestry, we believe that anyone from anywhere can have the best idea, and with hard work and dedication, anything is possible.

Our house of brands includes Coach, kate spade new york and Stuart Weitzman. Tapestry's common stock is traded on the New York Stock Exchange under the symbol TPR.

# HIGHLIGHTS

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**6X** SIXTH CONSECUTIVE YEAR SCORE OF 100 ON THE HUMAN RIGHTS CAMPAIGN CORPORATE EQUALITY INDEX.

**3X** FORBES 2020 "BEST EMPLOYERS FOR DIVERSITY" LIST FOR THE THIRD CONSECUTIVE YEAR.

## \$5 MILLION

TAPESTRY'S ENDOWED COACH AND KATE SPADE NEW YORK FOUNDATIONS GRANTED MORE THAN \$5 MILLION TO NONPROFITS IN 2019.



### HUMAN RIGHTS CAMPAIGN CORPORATE EQUALITY INDEX 2019

For the sixth consecutive year, Tapestry achieved a score of 100 on the Human Rights Campaign Corporate Equality Index, earning the designation as a "Best Place to Work for LGBTQ Equality."



### FORBES "BEST EMPLOYERS FOR DIVERSITY 2019"

Tapestry was listed on the Forbes 2019 "Best Employers for Diversity" list for the third consecutive year. This recognition is based on an independent survey of 50,000 U.S. employees evaluating their employers on issues of diversity in the workplace.



### HR ASIA MAGAZINE "BEST COMPANIES TO WORK FOR"

In 2019, Coach was designated "Best Companies to Work For" by HR Asia Magazine in China, Hong Kong SAR and Taiwan, China.

In support of

### WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office

### UN WOMEN'S EMPOWERMENT PRINCIPLES CHARTER

Tapestry signed the UN Women's Empowerment Principles Charter on International Women's Day to reaffirm our commitment towards gender equality and the advancement of women in the workplace.

# HIGHLIGHTS

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## **DREAM IT REAL**

As part of Dream It Real, a promise by the Coach Foundation to support the next generation as they create the future they know is possible, Coach hosted three "Dream Days," inviting hundreds of high school students from our nonprofit partners to join us for mentoring and professional development. In 2019, we are proud that:

- 275 high school students came to Coach HQ for mentoring Dream Days.
- 750+ Coach employees volunteered 1,848 hours in 10 cities across the U.S. to support Dream It Real. Volunteering included our employees assisting with goal-setting workshops, resume and writing coaching, interview preparation, and career exposure.

## kate spade NEW YORK

## **KATE SPADE NEW YORK SOCIAL IMPACT PORTFOLIO**

kate spade new york's social impact programs are dedicated to empowering women and girls, with a focus on increasing their agency, improving their mental well-being, strengthening their communities, and expanding their access to economic opportunities. The brand's impact work is threaded within six key programs of our social impact portfolio: the kate spade new york foundation, *on purpose*, mind body soul, volunteerism, product donation and a speaker series.



## **OPEN SOURCE VENDOR FAIR**

For the first time, Tapestry hosted an Open Source Vendor Fair at our Hudson Yards headquarters. Over 100 raw materials and hardware suppliers were invited to showcase proprietary fabrics, leather, techniques and finishes to each brand's creative and product development teams, providing partnership opportunities for licensing agreements.

# OUR PEOPLE

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# INCLUSION AND DIVERSITY

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Tapestry is made up of many stories, backgrounds and perspectives, each playing an important part in creating the company we believe in, and our culture of belonging. Tapestry is devoted to being an innovative, inclusive and diverse workplace. In 2019, we established 2025 goals for expanding diversity in our North America Tapestry and brand leadership teams. In addition, across our employee populations globally, our goals focused on reducing gaps in feelings of inclusion by gender and ethnicity. By 2025, we are committing to:

- Build diversity in North America Tapestry and brand leadership teams by increasing the number of NA-based ethnic minority leaders to better reflect our general corporate population.
- Reduce differences in our Employee Survey Inclusion Index scores based on gender and ethnicity.
- Demonstrate a focus on career progression, development and mobility by filling 60% of leadership roles (VP+) internally.
- Enable all employees to manage both their work and personal life balance by achieving a global core benefit standard for self-care, parental and family care leave policies.



## WOMEN IN THE WORKPLACE

We are proud to have participated in the McKinsey & Company LeanIn.org and Women in the Workplace study for the second consecutive year. Given that women are the majority of our employee population and customer base, we gleaned meaningful insights into how we can further support the women of Tapestry in their personal and professional development.



## FORBES "BEST EMPLOYERS FOR DIVERSITY"

Tapestry was listed on the Forbes 2019 "Best Employers for Diversity" list for the third consecutive year. 50,000 Americans working for businesses with at least 1,000 employees surveyed their employers on issues of diversity in the workplace.



## LGBTQ EQUALITY

Tapestry achieved its sixth consecutive score of 100 on the Human Rights Campaign Corporate Equality Index (CEI) "Best Places to Work for LGBTQ Equality" in 2020. Additionally, Coach collaborated with the nonprofit, Hetrick-Martin Institute (HMI) and their young people to produce a celebratory film, "Fifty Years Proud."



## HR ASIA MAGAZINE "BEST COMPANIES TO WORK FOR"

In 2019, Coach was designated "Best Companies to Work For" by HR Asia Magazine in Taiwan, China and Hong Kong SAR.

# INCLUSION AND DIVERSITY

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## CEO ACTION FOR DIVERSITY AND INCLUSION

Tapestry is a member of the CEO Action for Diversity and Inclusion, the largest business coalition committed to advancing Diversity and Inclusion. We participated in the “Beyond the Bottom Line” series, where CEOs have an open dialogue with employees about the challenges of the modern workplace and ways to overcome them.



## TAPESTRY INCLUSION COUNCIL

In 2019, we established an Inclusion Council with two co-leaders for Diversity and Inclusion to ensure that people with diverse perspectives and backgrounds are included in business decisions.



## INCLUSION@TAPESTRY

We piloted in-person Inclusion training for our NA employees, and plan to roll this out to employees globally to foster a welcoming and open workplace where we fully embrace diverse perspectives to drive innovation and business results.



## CEO ACTION CHECK YOUR BLIND SPOTS BUS TOUR

Our North Bergen, New Jersey Office served as a stop on the CEO Action Check Your Blind Spots Unconscious Bias Bus Tour. Through a series of interactive scenarios, our employees were able to identify and address unconscious biases and drive inclusive behaviors.



## PRIORITY: YOU SPEAKER SERIES

Tapestry PRIORITY: YOU is an internal quarterly Well-Being Speaker Series for our employees featuring inspiring leaders who share their strategies and practical tips for employee wellness.



## EMPLOYEE WELL-BEING

In 2018, kate spade new york launched the mind, body, soul initiative to create a community of support and raise awareness about wellness and the resources available to employees through kate spade new york, Tapestry, and the broader wellness community.



## HEROINES OF HER OWN STORY SPEAKER SERIES

The kate spade new york Heroines of Her Own Story speaker series was created in the spirit of learning from diverse and inspiring women as they share their journeys of empowerment with KSNY corporate employees. In 2019, KSNY hosted conversations with Beth Comstock, Former Vice Chair of Business Innovation at GE and author of the book *Imagine It Forward*; Sylvia Acevedo, CEO of Girl Scouts of the USA; Adrienne Nolan Smith, founder of WellBe; and Nancy Lublin, founder and CEO of Crisis Text Line.

# DIVERSITY SNAPSHOT AT FISCAL 2019 YEAR END

3 OUT OF 8 TAPESTRY BOARD MEMBERS ARE WOMEN

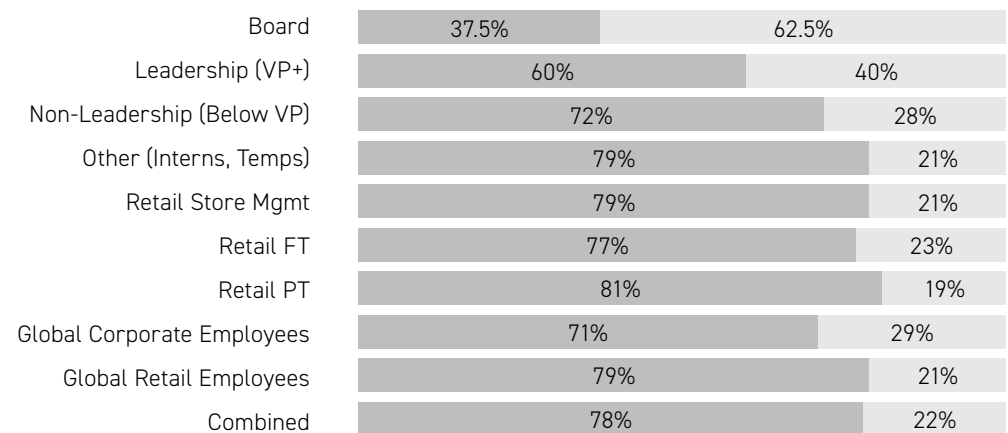
4 OUT OF 8 TAPESTRY BOARD MEMBERS ARE ETHNIC MINORITIES

## 60% OF LEADERSHIP

POSITIONS AT TAPESTRY (VP+) ARE OCCUPIED BY WOMEN

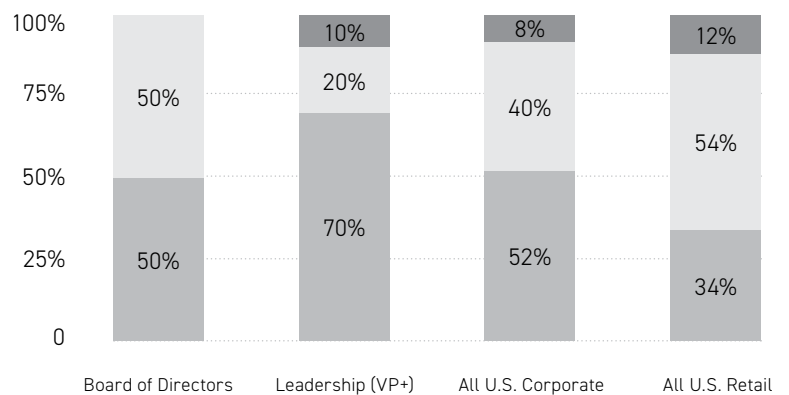
### GLOBAL GENDER DIVERSITY (FY 2019)

■ % Female ■ % Male



### ETHNICITY DATA: U.S. & PUERTO RICO (FY 2019)

■ % Caucasian ■ % Non-Caucasian ■ % Not Specified



# LEARNING AND DEVELOPMENT

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At Tapestry, we strive to provide a working environment where our people can grow and progress their careers within the company. We place an emphasis on internal mobility, and through various development programs, facilitate opportunities to help our employees acquire the knowledge, skills and confidence necessary to continue their development at every career stage. In 2019, our in-house People and Organizational team launched several diverse and exciting programs designed to develop awareness and understanding for inclusion, people management and design-led thinking.



## **DAY OF UNDERSTANDING: THE START OF A NEW CONVERSATION AT TAPESTRY**

Tapestry joined the CEO Action for Diversity and Inclusion in 2017 in support of advancing Diversity and Inclusion efforts in the workplace. Acting on the Diversity and Inclusion pledge, the Company participated in a “Day of Understanding,” hosting events that sparked conversations around embracing differences and building inclusive cultures in our New York, New Jersey and Jacksonville offices. Erin L. Thomas, an award-winning diversity researcher and practitioner with Paradigm, moderated a panel discussion exploring blind spots and unconscious bias with Tapestry leaders.

## **INCLUSION@TAPESTRY**

Tapestry developed two bespoke in-person Inclusion training programs to accommodate our dynamic employee population: there is a track for our creative groups that influence creative decisions and create product for our customers, and a separate track for people managers focused on building inclusive teams.

## **INCLUSION@TAPESTRY: CREATIVE EDITION**

Tapestry partnered with Jennifer Brown Consulting to develop a customized Inclusion training program to better equip creative teams to anticipate product and marketing sensitivities related to cultural nuances, as well as to proactively mitigate potential issues.

60 leaders across Coach creative groups participated in our Inclusion@Tapestry: Creative Edition pilot session in preparation for a broader future launch in FY20.

## **INCLUSION@TAPESTRY: PEOPLE MANAGER TRAINING**

Tapestry partnered with MindGym to design an Inclusion program focused on how to create a safe environment for our employees to share their perspectives and bring their authentic selves to work.

70 employees across Tapestry participated in our MindGym Inclusion pilot sessions in preparation for the broader future launch in FY20.

# LEARNING AND DEVELOPMENT

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## THE common THREAD

### THE COMMON THREAD

In 2018, we launched The Common Thread at Tapestry, a global people manager development program intended to provide a common set of behaviors to successfully lead others. Based on the belief that great leadership has a multiplying effect, the program focuses on both mindset and tactics to empower our 2000+ corporate and retail people managers. Since its inception, we've launched a variety of modules of The Common Thread on topics including Driving Accountability, Coaching for Success, and Empowering Innovation. These topics continue to evolve based on the needs of our employees and the business in order to maximize impact.



### EMERGING LEADERS PROGRAM

We initiated the third cohort of our Emerging Leaders Program: a one-year development program designed to accelerate the growth of our global mid-level leaders. This was our first multi-brand cohort and largest group with 25 participants.



### DESIGN-LED THINKING

Design-led thinking is an approach to creative problem solving which puts human beings at the center of everything we do. Last year, we conducted a design-led thinking experiment at Coach to help drive creativity and collaboration, improve decision making and impact culture. Participants learned key design-led thinking skills, including empathy, brainstorming and prototyping, while working on real business challenges. The experiment resulted in a variety of product and experience prototypes and also provided key insights around culture to further impact innovation and customer-centricity.

# EMPLOYEE TOTAL REWARDS

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We want Tapestry to be a place where our employees love to work, where they feel recognized and rewarded for all that they do. Work-life integration is top of mind, and we want to ensure that our people have the resources and benefits available to achieve this balance: from competitive compensation to financial planning for the future. In 2019, we expanded eligibility for annual equity awards to store managers across more locations and brands, so that nearly all of our store managers are able to participate in ownership of Tapestry. Our list of comprehensive benefits also includes:

- Paid time off.
- 401k eligibility for all corporate and retail employees (including part-time), with company-matched contributions.
- Financial educational content and training through Fidelity Investments.
- Medical benefits for part-time employees including our store employees.
- Paid sick leave for all, including part-time employees.

# OUR PLANET

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# OUR PLANET

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To reduce the impact of our business on the environment and drive positive impact across our value chain, we launched bold 2025 sustainability goals in April 2019. We spent the remainder of the fiscal year, and into fiscal year 2020, laying the groundwork and implementing plans to accomplish our targets. Under the pillar focused on Tapestry’s impact on Our Planet, we are committing to:

- 20% reduction in absolute Scope 1 and Scope 2 CO2e emissions and 20% reduction in absolute Scope 3 CO2e emissions from freight shipping over a 2017 baseline.
- 95% traceability and mapping of our raw materials to ensure a transparent and responsible supply chain.
- 90% of leather comes from Silver- and Gold-rated Leather Working Group tanneries.
- 75% recycled content in packaging and 25% reduction in North America corporate and distribution center waste.
- 10% reduction in water usage across Tapestry and the supply chain.

## TRACEABILITY AND MATERIALS

Achieving the highest standards for ethical and sustainable sourcing is a responsibility we take seriously at Tapestry. Knowing where our raw materials are produced and made is paramount towards achieving our 2025 goal of 95% traceability and mapping of our raw materials. Our values influence everything that we do, and this extends to manufacturing quality products that are ethically sourced.

## LEATHER WORKING GROUP (LWG)

The LWG assesses environmental compliance and performance capabilities of leather manufacturers, and promotes sustainable and appropriate environmental business practices within the leather industry. As part of our commitment towards sourcing leather that is produced in an environmentally responsible manner, we established a goal to source 90% of all leather across brands from LWG Silver- and Gold-rated tanneries. The LWG medal rating is a comprehensive measurement of several impact categories, including water, energy, waste management, and chemical management. As of June 29, 2019, 63% of leather we sourced was from Silver- and Gold-rated tanneries.

LWG RATING	TOTAL %
Gold	32.6%
Silver	29.9%
Bronze	8.6%
Pass	6.8%
No Audit	22.1%
Total	100%



# OUR PLANET

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## **RECYCLED POLYESTER**

Starting in February 2018, kate spade new york began using REPREVE® Unifi, Inc. fibers in the lining of several of its handbag designs. REPREVE® is a fiber made from recycled materials, including plastic bottles. As of June 2019, kate spade new york has commercialized five different lining textiles and has purchased an aggregate one million pounds of REPREVE® recycled polyester for use in its handbags, representing 27 million plastic bottles diverted from landfills. The energy, water, and emissions saved from using recycled inputs instead of virgin polyester, based off of an internal life cycle assessment from Unifi, our supplier, is estimated to be equivalent to:

- Saving enough energy to power 255 homes for one year.
- Saving 2.298 million liters of water, which is enough to provide 3,148 people their typical drinking water for one year.
- Improving air quality by avoiding 697,982 kilograms of CO2e emissions from being put into the atmosphere, or roughly the same amount of CO2e emissions from consumption of 1,622 barrels of oil.

This is only the beginning. We are already investigating other ways to incorporate this recycled fiber into more styles across all Tapestry brands.

## **MAPPING OUR SUPPLY CHAIN**

Reducing our impact on the environment through our supply chain has become an area of focus, particularly due to the complexities and global nature of our suppliers. Like many in our industry, we do not always have direct control over every stage of our product life cycle. However, every supplier must abide by our Supplier Code of Conduct, which enforces compliance with our rigorous operational requirements.

Our 2025 goal of achieving 95% traceability is part of our long-term corporate responsibility strategy to achieve greater transparency across our supply chain, and to uphold the highest standards pertaining to both environmental and social compliance.

# OUR PLANET

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### RAW MATERIALS USAGE

In 2019, we sourced the following amounts of key raw materials across our brands:

2019 MATERIAL CONSUMPTION BY TYPE		
MATERIAL TYPE	CONSUMPTION	UNIT
Leather	139,144,728	square feet
Fabric-Shell	13,034,166	meters
Fabric-Lining	13,820,407	meters
Fabric-Webbing	7,553,881	meters
Hardware	486,180,394	pieces
Yarn	640,795	kilograms
Zipper	42,807,594	meters

### HIGHLIGHTS

- 63% of our leather was sourced from Leather Working Group Silver- and Gold-rated tanneries, with 79% achieving a PASS or higher.
- kate spade new york continues to use REPREVE® fibers in the lining of several handbag designs. REPREVE® is a fiber made from recycled materials.
- We received a score of C on the CDP Forests survey.

# GREENHOUSE GAS EMISSIONS (CO<sub>2</sub>E)

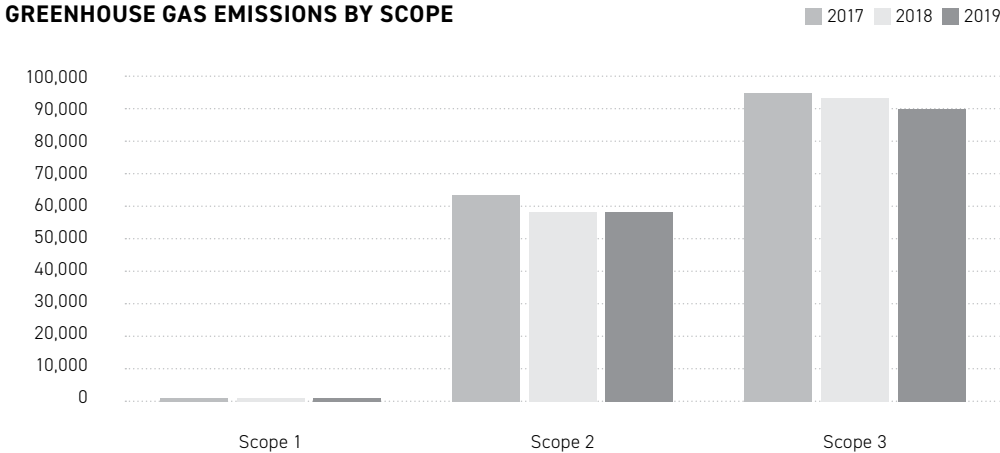
Climate change and its effects continues to be one of the greatest challenges facing our generation. As a leader in the fashion industry, we know we must do more to reduce our carbon footprint to benefit all of our stakeholders and the planet.

### SETTING A TARGET

To help address our impacts on climate change, we continue to track and report our emissions. To drive these efforts forward, we utilize methodologies from the Science-Based Targets Initiatives, and in 2019, set a new 2025 goal target for a 20% reduction in Scope 1 and Scope 2 CO<sub>2</sub>e emissions by 2025, over a 2017 baseline. For the first time, we have added a Scope 3 target to reduce CO<sub>2</sub>e emissions associated with ocean and air shipping by 20% by 2025.

### CARBON EMISSIONS DATA

In 2019, we reduced Scope 1 and 2 emissions by 0.4%, Scope 3 emissions by 3.6%, for a total emissions reduction of 2.4% against 2018 levels.



# GREENHOUSE GAS EMISSIONS (CO<sub>2</sub>E)

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## **DIRECT AND INDIRECT EMISSIONS (SCOPE 1 AND 2)**

Tapestry's Scope 1 and 2 carbon footprint is heavily influenced by our fleet of stores, with the biggest impacts coming from lighting and HVAC. As a cross-departmental team, our Architecture and Design, Retail Facilities and Procurement functions have developed comprehensive ways to reduce our emissions in our owned and leased spaces.

They work to ensure efficiency with each retrofit of our Coach, kate spade new york and Stuart Weitzman stores with LED lighting as standard in all retrofits. This effort has allowed us to keep our Scope 1 and 2 emissions relatively flat, from 58,157 metric tonnes of CO<sub>2</sub>e in 2018 to 57,995 metric tonnes of CO<sub>2</sub>e in 2019, a 0.4% reduction, all while increasing the total retail square footage of our stores by approximately 240,000 square feet.

At our kate spade new york distribution center in West Chester, Ohio, we retrofitted the lighting in the building, truck bays and the parking lot to be more energy efficient and reduce the energy and carbon footprint of the site. The lighting retrofits, completed in 2019, are estimated to immediately reduce energy and emissions from the facility by approximately 9,100 pounds of CO<sub>2</sub>e annually. This is equivalent to removing approximately 145 cars from the road per year<sup>1</sup>. Additionally, over the course of 2019, this distribution center reduced its total energy consumption by 2.2% over the previous year.

Lastly, we are increasing the percentage of renewable energy in our energy purchases. Starting in 2018, we began procuring Renewable Energy Certificates. Since that time we have more than doubled our purchases from 1,335 MWh in 2018 to 3,433 MWh in 2019. That is equivalent to 2,427 metric tonnes of CO<sub>2</sub>e, or the same as taking 524 passenger vehicles off the road for a year<sup>2</sup>. That number is expected to rise next year, as more contracts with our energy suppliers roll over that we expect to renew at 100% renewable energy.

<sup>1</sup><https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

<sup>2</sup><https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

## **SUPPLY CHAIN EMISSIONS (SCOPE 3)**

In 2019, we reduced our emissions from shipping by 3.6% from 2018, and have reduced our emissions from shipping by 5.6% from our 2017 baseline. These reductions have come from working with our distribution centers and logistics teams to optimize our freight from ocean shipping and air shipping, as well as a reduction in the total number of units shipped. By 2025, we plan to reduce emissions from freight and shipping by 20% in accordance with our goal.

## **HIGHLIGHTS**

- In 2019 we reduced our carbon footprint by 2.4% from 2018, and a total of 6.7% from our 2017 baseline.
- Increased adoptions of Renewable Energy Certificate (REC) purchases from 1,335 MWh in 2018 to 3,433 MWh in 2019. That number is expected to rise in 2020 as more contracts with our energy suppliers roll over that we expect to renew at 100% renewable energy.
- We reported to the CDP Climate Change survey for the fifth time and received a score of C.

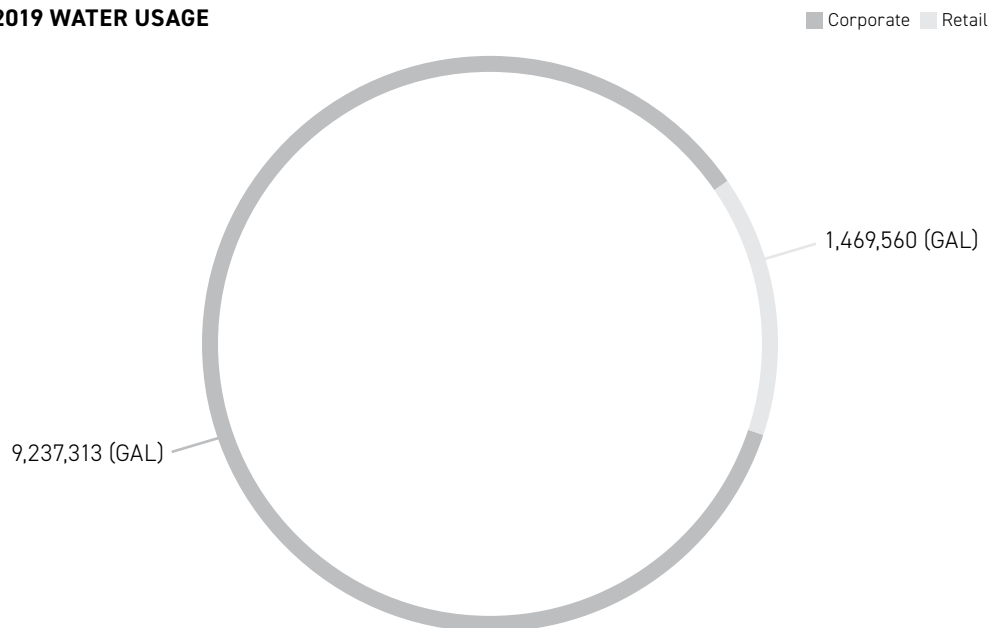
# CONSERVING WATER

We depend on water for every part of our business and believe that access to clean water is a basic human right. Consumption of water, as well as quality of water, both as inputs for our products and outputs from the manufacturing process, is critically important to us. Managing our use of water and safeguarding this precious resource is a significant objective within our sustainability agenda.

## DETERMINING OUR WATER STRATEGY

In 2019, we accelerated our commitment by setting our goal to reduce water usage across Tapestry and our supply chain by 10%. While water consumption did increase at our retail locations by 32%, we saw a 9% reduction in our corporate global water footprint from 2018. We are committed to improving our water management strategy by continuing to collect data from our owned and operated locations.

## 2019 WATER USAGE



## HIGHLIGHTS

- We continue to monitor our water usage and in 2019 used 10,706,873 gallons of water, down from 11,221,132 million gallons in 2018, a 4.6% reduction.
- 63% of our leather comes from LWG Silver- and Gold-rated tanneries, the strictest standard in the industry for water consumption and quality.
- We reported to CDP Water for the fourth year and received a score of C.

# REDUCE AND RECYCLE

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In 2017, the U.S. Environmental Protection Agency reported that Americans generated about 4.51 pounds of waste per person, per day—up from 4.48 pounds of waste per person, per day in 2015<sup>3</sup>. To divert waste from going to the landfill, our 2025 goals aim to reduce our corporate and distribution center waste by 25%.

<sup>3</sup>[https://www.epa.gov/sites/production/files/2019-11/documents/2017\\_facts\\_and\\_figures\\_fact\\_sheet\\_final.pdf](https://www.epa.gov/sites/production/files/2019-11/documents/2017_facts_and_figures_fact_sheet_final.pdf)

## **REDUCING OUR WASTE IMPACT AT OUR CORPORATE OFFICES**

We've been committed to reducing waste at our corporate locations in North America since 2015, and we've reaffirmed that commitment by establishing a 2025 goal to reduce waste in our North America corporate and distribution center sites by 25%.

We're dedicated to minimizing our environmental impact through recycling programs to keep paper, plastics, metals and electronics out of landfills. Where our teams have a surplus of sample materials, such as fabrics or leathers, we donate these offcuts to a number of organizations that either donate or recycle these materials:

- Materials for the Arts (MFTA) is a New York-based reuse center that allows companies and individuals to donate unneeded supplies to thousands of nonprofit organizations with arts programming and public schools.
- FabScrap, a New-York based 501(c)3 charitable organization, recycles fabric scraps, cuttings, mock-ups and samples.

In 2019, Coach sent 1,009 lbs of textile waste to MFTA and 2,658 lbs of material to FabScrap. During that same period, kate spade new york sent 155 lbs of textile waste to MFTA and 360 lbs of textile waste to FabScrap.

Our distribution centers in Jacksonville, Florida (Coach), and Westchester, Ohio (kate spade new york) offer an enormous opportunity for waste reduction and diversion. In Jacksonville, our team recycled 3,280 tons of material and achieved a 92% diversion rate. At kate spade new york's distribution center, our team was able to achieve a 70% diversion rate.

# REDUCE AND RECYCLE

## MANAGING OUR PACKAGING

We are committed to increasing the amount of our shopping bags and boxes that are made from recycled materials, aiming for 75% recycled content in our packaging by 2025 as part of our 2025 goals. All shopping bags and boxes across all three of our brands are made of varying percentages of recycled content. Below is a breakdown of those percentages across our key packaging categories.

	<b>COACH</b>	<b>kate spade new york</b>	<b>STUART WEITZMAN</b>
Retail Shoppers	<ul style="list-style-type: none"> <li>• 70% recycled content</li> </ul>	<ul style="list-style-type: none"> <li>• 55% recycled content</li> <li>• Recyclable</li> </ul>	<ul style="list-style-type: none"> <li>• 50% recycled content</li> <li>• Recyclable</li> </ul>
Retail Boxes (Shoes SW)	<ul style="list-style-type: none"> <li>• 75% recycled content</li> <li>• Recyclable</li> </ul>	<ul style="list-style-type: none"> <li>• 55% recycled content</li> </ul>	<ul style="list-style-type: none"> <li>• 85% recycled content</li> <li>• Recyclable</li> </ul>
Outlet Shoppers	<ul style="list-style-type: none"> <li>• 75% recycled content</li> <li>• Recyclable</li> </ul>	<ul style="list-style-type: none"> <li>• 65% recycled content</li> <li>• Recyclable</li> </ul>	<ul style="list-style-type: none"> <li>• 50% recycled content</li> <li>• Recyclable</li> </ul>
Outlet Boxes	<ul style="list-style-type: none"> <li>• 75% recycled content</li> <li>• Recyclable</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• 85% recycled content</li> <li>• Recyclable</li> </ul>

Our distribution centers have partnered with our finished goods suppliers to reduce the amount of packaging used to ship our products. As an example, at Stuart Weitzman we have reduced the paper wrap inside the shoe box from two sheets to one, and we reduced the interior board from a thickness of 2 millimeters to 1.5 millimeters, for a total weight reduction of 20%.

# REDUCE AND RECYCLE

## REDUCING THE IMPACT OF PRODUCT LIFECYCLE THROUGH REPAIR

One of the most responsible things we can do as a Company is to make high-quality products from durable materials that last for years and can be repaired to elongate their lifecycle. Leather, if cared for, is a very durable material. According to a 2012 study, extending the life of clothes by just nine extra months of active use would reduce carbon, water and waste footprints by around 20-30% each<sup>4</sup>. We stand by our craftsmanship and quality, but know that products can suffer from wear and tear. To prolong product longevity, we have a team of talented repair technicians located in Coach's Carlstadt, New Jersey, repair facility, ready to rehabilitate and extend the life of Coach products.

During 2019, our repair facility restored 45,678 Coach products, which is 86% of all products sent back to us, compared to 43,087 in 2018, which also represented 86% of products sent back for repair.

Repairing products is a way to promote investing in quality, to celebrate the bags that travel with our customers through life's many milestones, and to perpetuate the long and storied lives of Tapestry products. Here are just a few things our customers had to say:

Dear Friends at  
Coach Repair Center,  
Thank you so much for the  
beautiful job you did repairing  
my "stewardess bag," as it used  
to be called.  
I hope you will keep  
producing this model. It is  
greatly admired, especially  
by airline flight attendants  
who remember it and in some  
cases still use it, as I do.  
Sincerely, Peggy M

TO: Employees of Coach Repair  
Never in my entire life  
of 85 years, have I ever  
received such royal treatment  
from a company, Coach  
and its most talented  
employees - Thank you,  
Thank you!  
The saddle bag (twice),  
a gift from my daughter  
some 25 years ago is very  
special to me - what  
more can I say -  
Excellent Repair!  
Janetta M.

<sup>4</sup><https://www.wrap.org.uk/content/extending-life-clothes>

## HIGHLIGHTS

- We donated 4,182 pounds of fabric, leather and yarn from our New York headquarters to Materials for the Arts (MFTA) (1,164 lbs) and FabScrap (3,018 lbs), an 18% increase from the previous year.
- Our Jacksonville Distribution Center achieved a 92% waste diversion rate, and our Ohio Distribution Center achieved a 70% waste diversion rate in 2019.



# OUR COMMUNITIES

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# OUR COMMUNITIES

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From our Hudson Yards headquarters to kate spade new york's *on purpose* program in Masoro, Rwanda, Tapestry is committed to giving back to the global communities where our employees live and work, and where our products are made. We are dedicated to driving meaningful positive change through empowerment programs, financial and product donations and volunteering, and we have established bold 2025 goals to ensure we're making progress towards a better future for all:

- Dedicate 100,000 volunteer service hours completed by our employees around the globe.
- Give \$75,000,000 in financial and product donations to nonprofit organizations globally.
- Provide 50,000 people crafting our products access to empowerment programs during the workday.



Coach's volunteer day at St. Nicholas Park in West Harlem, New York



kate spade new york's *on purpose* program in Masoro, Rwanda

## OUR COLLECTIVE IMPACT IN 2019

- \$22 million in financial and product donations
- Over 5,750 employee volunteer hours serving our communities globally
- \$429,000 in charitable donations matched through our Foundations' employee matching gift program

# OUR FOUNDATIONS

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Tapestry's endowed Coach and kate spade new york Foundations donate to nonprofit organizations across the United States and around the world. In 2019, our Foundations granted more than \$5 million to nonprofits.

## THE COACH FOUNDATION

Since its creation in 2008, the Coach Foundation has given close to \$50 million to nonprofit partners all over the world to do our part to make big dreams possible.

In 2019, the Coach Foundation is proud to have donated \$3.2 million to support our Dream It Real mission and philanthropic causes around the world.

## DREAM IT REAL

In 2018, the Coach Foundation launched Dream It Real, our philanthropic mission to support the next generation as they create the future they know is possible. To support Dream It Real, the Coach Foundation partners with nonprofits that work with thousands of young people at the grassroots level, providing resources, coaching and support to help unlock their potential.

### #DreamItReal Highlights

In July 2018, Coach's senior leadership team and 700 of our store managers packed over 2,000 backpacks and 50 "Dream Boxes" that were delivered to high schools across the country, helping students gear up for the first day of school. Dream boxes included school supplies, posters to decorate the high schools, and notes of encouragement for students.



# OUR FOUNDATIONS

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In January, global face of Coach menswear Michael B. Jordan surprised 1,000+ high school students when he visited a Coach Foundation partner school in his hometown of Newark, New Jersey: Barringer High School. Jordan met with and mentored students, co-hosted a student-organized "Passion Show" showcasing Barringer's student talent, toured the school and signed a new motivational mural, and participated in a pep rally for all students.

*"Empowering young people is deeply important to me, and being able to work with the students as an honorary Dream Director at Barringer today in my hometown of Newark was an inspirational experience that I will not forget." – Michael B. Jordan.*



# OUR FOUNDATIONS

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In November, January, and March, Coach hosted "Dream Days" at our corporate headquarters, inviting hundreds of high school students from our nonprofit partners to join us for mentoring and professional development. In 2019, we are proud that:

- 275 high school students came to Coach HQ for mentoring Dream Days.
- 750+ Coach employees volunteered 1,848 hours in 10 cities across the U.S. to support Dream It Real. Volunteering included employees assisting with goal setting workshops, resume and writing coaching, interview preparation, and career exposure.



In March 2019, to celebrate International Women's Day and inspire young women to #DreamItReal, Coach collaborated with Coach ambassador Selena Gomez and artists to create an inspirational mural at a nonprofit partner school in Montebello, California: Applied Technology Center High School.



# OUR FOUNDATIONS

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In April 2019, Coach launched the Dream It Real podcast to inspire and provide a platform for the next generation. Guests included Selena Gomez, Michael B. Jordan, Ben Platt, Maisie Williams, Stuart Vevers, Marley Dias and young people from across the country, including 17-year-old Giovanni, a Barringer High School student, who met Michael B. Jordan in Newark, New Jersey, and 16-year-old Lessaya, an Applied Technology Center student who met Selena Gomez in Los Angeles.



In June 2019, in celebration of World Pride in New York and Stonewall's 50th Anniversary, Coach collaborated with its nonprofit partner the Hetrick-Martin Institute (HMI) and their young people to produce a celebratory film, "Fifty Years Proud." The Coach Foundation has supported HMI for six consecutive years through financial donations in support of the Youth Arts & Culture Program. To date, the Coach Foundation has donated over \$150,000 to advance the work of HMI.



# OUR FOUNDATIONS

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## SUPPORTING OUR HUDSON YARDS NEIGHBORHOOD

We are proud to support our communities globally where our employees and customers live and work, including our Hudson Yards neighborhood in New York, where our headquarters is based. Most recently, we became a Founding Funder of the West Side Community Fund (WSCF), joining forces with over 20 Hudson Yards-based companies to support local nonprofits doing meaningful work. The WSCF has granted \$440,928 to 56 Hudson Yards community projects since its inception in March 2019.

In addition, since our relocation to Hudson Yards in 2016, over 1,300 Tapestry employees have volunteered at local nonprofits in our Hudson Yards neighborhood, including Holy Apostles Soup Kitchen and Hudson Guild, contributing over 5,000 hours of community service.

The Coach Foundation is a proud supporter of arts and culture in our community. To date, we have donated over \$20 million to support museums, arts, and local parks such as The Shed and Friends of The High Line, to preserve and advance arts and culture in our neighborhood.

## kate spade new york foundation

Since 2015, the kate spade new york foundation has made the empowerment of women a priority, providing approximately \$1.2 million per year in grants to nonprofit organizations that share that goal. In 2019, the foundation updated its agenda to fully align with the company's overall social impact mission of empowering women and girls to be the heroines of their own stories. The foundation's giving is focused on U.S. communities where kate spade new york has a significant presence, as well as a limited number of national initiatives.

In 2019, 12 organizations operated programming with grants provided by the kate spade new york foundation. The foundation helped to serve more than 800 women and girls in New York and New Jersey through gender-specific programming, and fulfilled its promise to donate \$1 million to promote mental well-being.



International Rescue Committee:  
courtesy of International Rescue Committee



Per Scholas: Photos by Ken Moore,  
courtesy of Per Scholas

# ON PURPOSE

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*on purpose* is kate spade new york's social enterprise initiative, with a mission to use our *on purpose* supply chain to empower women and girls to be the heroines of their own stories. Since 2012, the brand has been working in Masoro, Rwanda, through a blended finance model of both commercial and philanthropic capital. This two-part strategy allows us to accelerate transformation and sustainable growth in the places where our *on purpose* suppliers are based, impacting the women, their families, and communities they call home.

In 2019, kate spade new york's *on purpose* supply partner Abahizi Rwanda employed over 230 women (over 90% of their workforce, 85% of which hold leadership roles), became a certified B corporation, and produced over 40,000 handbags for kate spade new york.

In 2018, the brand began the *on purpose* fund with the Tides Foundation to support local nonprofit organizations that implement women's and girl's empowerment programs and services in communities where our *on purpose* supplier is based. To date, we have donated over \$2 million to nonprofit partners implementing community-based programs for the people in Masoro, Rwanda.





# LOOKING AHEAD: STUART WEITZMAN

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For 2019, Stuart Weitzman dedicated its focus on evolving its brand values in order to reflect the role of the modern woman, empowering her with confidence, and comfort.

This notion is captured in the new brand ethos, which celebrates the idea of STRENGTH IN FEMININITY, as well as the newly-established brand values: BOLD, ENERGETIC and PURPOSE-DRIVEN.

In order to bring the brand's goal of standing for and empowering women to life with substance—and as a first step in becoming a more purpose-driven brand—Stuart Weitzman embarked on the journey of identifying a philanthropic partner: Vital Voices Global Partnership. The global nonprofit organization is dedicated to empowering and investing in emerging women leaders around the world who use their voice to enact social change in their communities.

This partnership was announced in March 2020, and includes a \$100,000 grant from the Coach Foundation on behalf of Stuart Weitzman, which will fund up to 10 exceptional women leaders around the world by raising awareness for their social causes and scaling their impact.

This is only the beginning of Stuart Weitzman's dedication to bold, energetic and purpose-driven philanthropic work. There are many more exciting initiatives to come.

# VOLUNTEERING AT TAPESTRY

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At Tapestry, serving the local community is an activity that reflects our values. We encourage our employees to step away from the office and into the community to volunteer with their departments and store teams. Tapestry and its brands also organize year-round volunteering opportunities to provide ongoing ways to serve our communities, open to all interested employees.

In 2019, Tapestry volunteers contributed over 5,750 hours to local causes, from serving meals at community kitchens, mentoring high school girls in STEM, packing and donating backpacks to students in need, and many more. Our philanthropic Coach and Kate Spade New York Foundations support these service hours with grants to the nonprofits where we serve.

## VOLUNTEER HIGHLIGHTS

### HUDSON GUILD

Tapestry is proud to send over 500 volunteers each year to support Hudson Guild, a local community-based nonprofit serving the Chelsea neighborhood of Manhattan, New York. From hosting senior prom, bingo nights, and art workshops for the early childhood program, we are proud to support Hudson Yards' full service community organization.

Tapestry Trick or Treat: For the past three years, we've hosted 100+ toddlers from Hudson Guild's Early Childhood Program for a Trick-or-Treating event at our corporate offices. Volunteers help toddlers with arts and crafts and then lead costume parades and trick-or-treating around our office.

### HOLY APOSTLES SOUP KITCHEN

Tapestry is a proud supporter of the largest soup kitchen in New York City, helping to serve over 2,000 meals in 2019.



# VOLUNTEERING AT TAPESTRY

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## **PARTNERSHIPS FOR PARKS**

125 Coach marketing employees volunteered with NYC Partnership for Parks to restore St. Nicholas Park in West Harlem, collecting over 100 bags of debris and repainting park benches and fences.



## **GIRLS WHO CODE**

In 2019, associates at kate spade new york volunteered their time to mentor high school girls participating in a Girls Who Code Summer Immersion Program, a grantee of the kate spade new york foundation. For three weeks, girls met with their mentors at the kate spade office to discuss college applications, goal-setting, and career advice.



# VOLUNTEERING AT TAPESTRY

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## **VOLUNTEER AMBASSADORS ACROSS TAPESTRY LOCATIONS**

Our teams in our distribution centers and global offices support volunteering in their local communities. Over 150 volunteers from our Jacksonville distribution center championed multiple community-focused charitable organizations through donation drives and volunteering events, such as Feeding North East Florida food bank and attending reading day events at local elementary schools.

## SERVING OUR COMMUNITIES' CULTURAL MOMENTS

### **BLACK HISTORY MONTH**

Tapestry employees volunteered at the Boys and Girls Club of Harlem to mentor students and participate in a Black History Month educational activity.



### **PRIDE**

Tapestry employees volunteered at nonprofit The Door to help host their annual Pride Prom event for 150+ young people at The Door's Youth Center in downtown New York.



# VOLUNTEERING AT TAPESTRY

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## INTERNATIONAL WOMEN'S DAY

On March 8, 2019, Tapestry collectively celebrated International Women's Day at their corporate offices by highlighting women entrepreneurs and the women who work across all brands.

At kate spade new york's corporate office, celebrations included a Storytelling for Leadership workshop facilitated by Resonate, an organization that provides leadership and confidence-building workshops to the men and women at Abahizi Rwanda, our *on purpose* supplier, as well as a Teatime Inspirations Q&A with Anjali Kumar, a Brooklyn-born, first-generation Indian American attorney, advisor, speaker, and author of *Stalking God: My Unorthodox Search for Something to Believe In*.



# EMPLOYEE MATCHING GIFT PROGRAM

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Tapestry is proud to have a community of colleagues who are passionate about giving back. When our associates give, we give. Through our Foundations, eligible employees in North America can match up to \$10,000 in personal charitable giving each year, with up to \$1,000 double-matched.

In 2019, our philanthropic Coach and kate spade new york Foundations gave \$429,000 in matching charitable gifts to hundreds of nonprofit organizations that our people believe are completing essential work. Since its inception, we've donated over \$3,674,000 through this program.

## **MATCHING GIFT HIGHLIGHTS**

- In 2019, our matching gift program was synergized across all our three brands, expanding matching gift participation to all store associates in North America across all three brands for the first time.
- In May 2019, the Coach and kate spade new york Foundations launched a new matching gift software to allow for disaster relief and seasonal giving campaigns in addition to year-round matching.

# TAPESTRY PRODUCT DONATIONS

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In addition to grants from our Foundations, we are proud to support our nonprofit partners with product donations from our brands. In 2019, we donated over 65,000 items to support beneficiaries in our nonprofit partners' programs. This ranges from providing Coach product to young people who are interviewing for school and work, to helping women entering the workforce feel confident with a new kate spade new york handbag or Coach footwear.

*"I'm really grateful for Coach's donation to Summer Search. Through Summer Search's pop-up events, I've been able to receive high quality professional clothing that I've used in internships, job interviews, and academic settings that enable me to feel my best! Thank you so much!"*

— Maddie Lam, Centre College

*"The event, Dress with Grace, helped build my confidence to go on interviews. I received a kate spade bag, which allowed me to feel and look the part."*

— Shanise R., Graduate of Grace Institute's Administrative Professional Program



*"This coat is my professional coat. As a Northeastern student I am constantly involved somewhere in the co-op cycle, which means going to interviews and networking events to land my dream position. This is the coat I wore during my 90-minute commute to my previous co-op, and this is the coat I wear to interviews and internships now. I feel like a professional when I look like a professional and this coat completes my look every time." — Leslie Gonzalez, Northeastern University*

The boundaries of this Report vary from section to section, and are a function of the accessibility of relevant data. Tapestry is a global organization with offices in Asia, Australia, Europe, and North America. We also have a global store network. We have endeavored to provide performance data for Tapestry owned, operated, and leased office and distribution facilities, as well as our leased North America stores. In some instances we are able to share performance data from certain of our larger office facilities in Asia. Where possible, we define the scope of any quantitative values reported throughout this Report as well as the associated time period that the data represents. At a minimum, data will represent the most recent full fiscal year, fiscal year 2019, which ended on June 29, 2019.

Tapestry uses data-collecting methodologies based on specific criteria, procedures, and processes outlined by business needs. These include, but are not limited to, computer software applications (e.g., SAP, Energy Management Systems, and Building Management Systems), surveys, GAAP (Generally Accepted Accounting Principles), and manual data collection.

In our seventh year of reporting, we have made no re-statements of information. Changes in scope include the inclusion of new offices and stores.

Questions, comments, or feedback regarding this Report, or any of Tapestry's corporate responsibility programs, should be directed to [sustainability@tapestry.com](mailto:sustainability@tapestry.com).

We have prepared this Report using the GRI Standards of the Global Reporting Initiative's (GRI) In Accordance, Core, a recognized global standard for sustainability and corporate responsibility reporting. A GRI Index—which notes the indicators covered in this report—is available for download in the Resources section of [www.tapestry.com/responsibility](http://www.tapestry.com/responsibility).

This Report is not externally assured.

For additional information about Tapestry, including our Annual Report on Form 10-K, and governance documents, as well as information on our Global Business Integrity Program, please visit our website: [www.tapestry.com](http://www.tapestry.com)

This Report and the data contained herein covers Tapestry as a whole, however, certain information may be brand specific and will be designated as such.

This information to be made available in this Report may contain forward-looking statements based on management's current expectations. Forward-looking statements include, but are not limited to, statements regarding the Company's 2025 Goals, as well as statements that can be identified by the use of forward looking terminology such as "may," "will," "can," "should," "expect," "intend," "estimate," "continue," "project," "anticipate," "moving," "leveraging," "developing," "drive," "targeting," "assume," "plan," "build," "pursue," "maintain," "on track," "well positioned to," "look forward to," "to acquire," "achieve," "strategic vision," "growth opportunities" or comparable terms. Future results may differ materially from management's current expectations, based upon a number of important factors, including risks and uncertainties such as the impact of the Covid-19 pandemic, the ability to control costs and successfully execute our growth strategies, expected economic trends, the ability to anticipate consumer preferences, risks associated with operating in international markets, our ability to achieve intended benefits, cost savings and synergies from acquisitions, the risk of cybersecurity threats and privacy or data security breaches, and the impact of legislation, etc. Please refer to the Company's latest Annual Report on Form 10-K, quarterly report on 10-Q and its other filings with the Securities and Exchange Commission for a complete list of risks and important factors. The Company assumes no obligation to revise or update any such forward-looking statements for any reason, except as required by law.



#OURTAPESTRY

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