

tapestry

GENDER PAY
GAP REPORT

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OUR TAPESTRY

Our name, Tapestry, represents the diversity of our people and the diversity of our brands. Our global house of brands unites the magic of Coach, kate spade new york and Stuart Weitzman. Each of our brands are unique and independent, while sharing a commitment to innovation and authenticity defined by distinctive products and differentiated customer experiences across channels and geographies. Individually, our brands are iconic. Together, we can stretch what's possible. We use our collective strengths to move our customers and empower our communities, to make the fashion industry more sustainable, and to build a company that's equitable, inclusive, and diverse – where all our employees, customers and stakeholders thrive. To achieve this, we frame our work with our four strategic pillars.

Talent – we know that our people are our greatest asset, they reflect our global community.

Our goal is to attract, retain and reward top diverse talent and enable them to thrive, personally and professionally.

Culture – inclusive culture manifests in behaviours and actions that shape the experience of our people. Through leadership development, education, and engagement programs we will empower people to express their distinctive strengths.

Community – building on the enduring legacy of service that already exists in our brands we will stretch what's possible to ensure we serve the communities that need it most through philanthropy, volunteer efforts and strategic partnerships.

Marketplace – our employees, customers, vendors, suppliers, and the investment community hold us to high standards, and we hold our vendors and suppliers to high standards.

We want to develop solutions that set the standard for integrity and global citizenship through our platform of brands.

This report is about the gender pay gap in the UK, encompassing our brands Coach, kate spade new york and Stuart Weitzman. While our legal entity is Coach Stores Limited, we will refer to ourselves in this report by our company name which is Tapestry. For the report, we have utilised the 'women' and 'men' gender labels set out by the report's methodology however, we recognise that gender identity lies on a spectrum and is not beholden to these binary definitions.

Our goal is gender pay equity. We are not there yet but have made progress since the last report and will continue to take actions within the company to improve this.

OUR PEOPLE

Women make up most of our employee population in the UK (78% in fact). Both our Global CEO, Head of Europe, and 78% of our European leadership team are women.

Both internally and externally, we have continued to make strides towards our Equity, Inclusion & Diversity (EI&D) and Social Impact commitments.

At kate spade new york, the Social Impact Council, a group of female leaders, experts and change-makers in the women's empowerment and mental health space believe that a women's mental health is fundamental to achieving sustainable long-term empowerment and that it should be prioritized in the global empowerment agenda. Last year the Social Impact Council launched a partnership between kate spade new york and The Boris Lawrence Henson Foundation (BLHF). By creating more accessible mental health resources for women and girls, and together introducing 'She Care Wellness Pods,' this programme will reach over 25,000 Black women on HBCU campuses with frontline mental wellness care over the next two years.

In 2023, we launched our first Global Employee Business Resource Group (EBRG), 'EmpowHER', supporting the Women of Tapestry. The EBRG's mission is to provide a platform for all Women at Tapestry and within our communities to thrive, contribute to our collective success and to empower women and allies across the globe. We do this by building a strategy based on our four pillars of talent, culture, community and marketplace, in addition to wellbeing. In doing so, the EBRG not only creates a community of support and development for its members, but also drives significant impact to the ways in which we operate and how we give back to our communities.

We also launched a maternity coaching programme, in which women returning from maternity leave are partnered with an external executive coach to support them through the transition back to the workplace. We recognise that the return to work after maternity leave and finding balance between work and family commitments, can be a pivotal moment in a woman's career. We want to ensure that our employees feel supported through that time and equipped for success both personally and professionally.

The Coach Foundation's Dream It Real program has a mission to help break cycles of inequality by empowering the next generation to reach their full potential through higher education. The Foundation has committed to providing 5,000 scholarships to underrepresented young people around the world by 2025. In early 2023, Coach Europe hosted its very own Dream Day event in London, designed to inspire and motivate young people currently engaged in the Dream It Real programme, to realise their goals, dreams and potential.

Stuart Weitzman continued its partnership with InHerShoes, a non-profit dedicated to catalysing women and girls to live their lives more courageously by donating more than 3,500 pairs of shoes. The brand also donated on behalf of the Tapestry Foundation in honour of 'National Day of Courage' in support of the organization's diversity, equity, inclusion and belonging initiatives.

We believe all these actions are helping to unlock the power of our people.

OUR FINDINGS

The gender pay gap examines the gender differences in hourly pay and bonus pay as of the snapshot date of April 5th, 2023. In this report we will include:

- percentage of men and women in each hourly pay quarter
- mean (average) gender pay gap using hourly pay
- median gender pay gap using hourly pay
- percentage of men and women receiving bonus pay
- mean (average) gender pay gap using bonus pay
- median gender pay gap using bonus pay

The hourly pay analysis only considers payments received by individuals during the month of April 2023, whilst the bonus pay analysis uses data for the previous year (April 2022 – March 2023).

STATISTIC	DEFINITION	CALCULATION
MEAN	The average of a data set.	Adding all of the numbers together and dividing by the number of items in the data set.
MEDIAN	The middle of the set of numbers.	Ordering the set from lowest to highest and finding the exact middle.
QUARTILE	Four equal groups that a dataset can be divided into.	Ordering the set from lowest to highest and dividing it into 4 equal parts.

It is important to note that the size and distribution of the dataset will affect the statistics reported. The mean is best used to describe data with a normal number distribution (a bell-shaped curve). Outliers (extremely low or high values) can skew the mean reported and misrepresent the pay gap reported. The median is used to return the middle number of the dataset and is a better measure of the pay gap with a skewed dataset.

Average Hourly Pay

Hourly pay is the sum of ordinary pay and any bonus pay paid in the April 2023 pay period.

Hourly pay distribution: The quartiles show the distribution of total earnings across men and women in the upper, upper middle, lower middle, and lower quartiles.

2023	Men	Women
Upper	24%	76%
Upper mid	27%	73%
Lower mid	15%	85%
Lower	11%	89%

Our employee population continues to have a women majority across all pay levels. We were pleased to see an improvement (of 1%) to the number of women represented in our Upper quartile vs our 2022 report.

2023 Mean: We have a mean hourly pay gap of 12.9% in favour of men. This is an improvement of 2.4% since our previous report (15.3% reported for 2022). Broken-down further, we report for this period, a 7.3% gap amongst our corporate population and 9.1% across Retail. This is driven by our Upper quartile at 2.3% in favour of men. We see our Upper middle (0.4%) and Lower quartiles (0.6%) in favour of women.

2023 Median: We have a median hourly pay gap of 18.6% in favour of men. This is reported at 8.9% within Corporate and 10.9% within retail. Once again driven by the Upper quartile at 8.2% in favour of men. As with the mean, our Upper middle is slightly in favour of women (0.8%).

Bonus Pay

Bonus pay examines the bonuses paid, including vesting of equity awards, within the 12-month period (April 2022 to March 2023) before the April 5th, 2023, snapshot date.

2023 Bonus received: 83.3% of women received a bonus vs. 84.8% of men. This improved score (from 8% difference in 2022, to 1.5% in 2023) is likely due to the policy we launched in Europe where employees on maternity leave still receive their full annual bonus.

2023 Mean: The mean bonus gap is 21.3% which means, on average, men earned higher bonus pay in this period. This is an improvement of 5.2% vs 2022. It is worth noting that our corporate population has a mean bonus gap of 2.5% compared to Retail which is 34.4% so this overall figure is driven by Retail. I will provide an explanation for this further below.

2023 Median: The median shows a gap of 48.4%. Once again, this figure is largely driven by the retail population where we saw 8.8% in corporate vs 40.1% in Retail.

Our bonus figures include our monthly in-store sales incentives received within the 12-month period. Within this report, men make-up 20.3% of our total Retail workforce. The majority of these men (70.5%) work for our COACH brand compared with kate spade (21.3%); we currently receive more interest from men wanting to work for the Coach brand due to our product assortment and following. This higher proportion of men in Retail working for Coach vs kate spade has impacted our bonus averages due to the over-performance of our COACH stores during this period, the monthly sales incentives have been paid more frequently and at a higher rate than at kate spade. Annual bonus and equity targets are the same across retail based on the level of position.

IN CLOSING

At Tapestry, our people remain at the heart of everything we do and whilst there is still work to be done to achieve gender pay equity, I am proud of our progress to date and our ongoing commitment to our employees and their communities.

Making Tapestry a Company of Choice

We continue to review ways of working and our employee's development and journey at Tapestry. We focused on improving our development planning tools to provide greater structure, transparency, and visibility for our workforce. We've hosted workshops and panels showcasing our talent and career journeys across the business and will continue to invest in activities that will support career conversations.

In early 2023 we launched Speaker Series, a series of workshops and talks from external speakers, that aim to enhance development and unlock the power of our people to stretch what's possible. We've had thought provoking sessions on market trends, the idea of perfection and fostering an inclusive culture to name a few. We'll continue to drive these throughout the years and seek feedback from our employees on what topics are important to them.

Wellbeing

Work-life balance continues to be a key priority in Europe as we navigate the ever-changing world of retail. Tapestry Europe's hybrid working, and year-round Flex Fridays have created a better work-life balance and strengthened cross team interaction and collaboration. There are obvious performance benefits to in person collaboration, but it is also essential to build a more inclusive, open, and collaborative culture which is critical for us to continue to strengthen. As part of our focus on work-life balance we also introduced Meeting Free Fridays to complement our Flex Fridays, which are there to give our people time back at the end of the week and hopefully, free from meetings, give them headspace and time to wind down before the weekend.

Our People, Inclusivity & Social Impact

We uphold a culture that strives to celebrate difference and champion diversity. The EI&D team have been instrumental in driving forward our EI&D strategy, building community, providing resources and hosting events that bring our values to life locally.

Our European community has learnt and celebrated numerous occasions from Diwali to Passover and for the first time ever, marched in the London Pride Parade. I'm very much looking forward to evolution of our expanding EBRG's in Europe this year, including Prouder Together, Working Parents & Caregivers and last but not least, the new Women of Tapestry taskforce, EmpowHER.

This work will shape the way women and allies at Tapestry connect globally and form an inclusive community where women can feel seen, heard and celebrated. I'm thrilled to see some of this work in action already, with the EBRG hosting a rousing month of activities and events to commemorate Women's History Month and International Women's Day. We've hosted talks, panel discussions as well as brand led events with Kate Spade, in partnership with some inspirational female focused organisations that engage not only our employees but also our customers, building an even wider community of like-minded women.

Our teams are passionate about giving back to local communities and causes. In the spring we continued our tradition of hosting volunteer away days for our UK corporate and retail teams. This year we spent a day with Stepney City Farm, a working farm in the heart of East London dedicated to providing the local community a chance to experience rural life and engage in educational, environmental, and creative projects related to the food system. We also spent time with Art4Space, who use art and creativity as a catalyst for change. By empowering communities to be diverse and inclusive for disabled and non-disabled children alike, they aim to promote community art activities within areas of disadvantage.

Kate Spade continues to invest in on purpose, our social enterprise initiative that's on a mission to empower women and their communities in our very own supply chain. This year we will host our 11th annual on purpose fundraiser, dedicated to the Masoro community. We'll raise funds globally to provide support the community of Masoro in Rwanda, where our on purpose supplier is based.

Coach's ongoing Dream It Real philanthropic programme continues to help young people fulfil their potential and I am extremely proud of the work the teams are doing here locally. We held listening sessions with youth workers which led Coach to co-create the Dream It Real X UK Youth program, a six-month curriculum to supply young people with the tools and resources they need to pursue their dreams. I am incredibly pleased that we have so-far reached over 900 young people in the UK and awarded 100 scholarships through this partnership.

I'm incredibly proud of all our teams and their dedication to bringing Tapestry's people-centric values to life.



Catherine Levesque
SVP, General Manager, Tapestry Europe