

**tapestry**

**GENDER PAY  
GAP REPORT**

Published 2023



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 have four focus areas:

**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 lies on a spectrum and is not beholden to this binary.

Our goal is gender pay equity. We're 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 (79% in fact). Both our Global CEO, Head of Europe, and 78% of our European leadership team are women. In fact, we are one of only 37 Fortune 500 companies where the CEO role is held by a woman. Additionally, 50% of our Board, which includes a female Chair of the Board, are women.

Both internally and externally, we have continued to make strides towards our Equity, Inclusion & Diversity (EI&D) 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 from around the globe, continue to champion, challenge, and inform the brand's social impact work. The tireless work of the council reflects Tapestry's enduring commitment to women's empowerment, and kate spade new york's advocacy of female mental health.

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 2021, 70% of scholars selected in the Foundation's first-generation scholarship program were young women; this program provides four years of scholarship and mentorship for these young women as they reach their full potential through higher education. In Europe, over 200 young women participated in the Coach Foundation's Dream It Real program, which focused on professional development and career advancement, delivered via peer mentoring, and employee-led workshops.

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.

Tapestry CEO, Joanne Crevoiserat recently joined Catalyst's CEO Champions for Change Initiative. Catalyst is a non-profit dedicated to supporting women in the workplace and into further leadership roles. Joanne's partnership with Catalyst will not only drive greater impact in diversity but also gender equity within Tapestry and other organisations within the initiative.

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, 2022. 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 2022, whilst the bonus pay analysis uses data for the previous year (April 2021 – March 2022).

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.

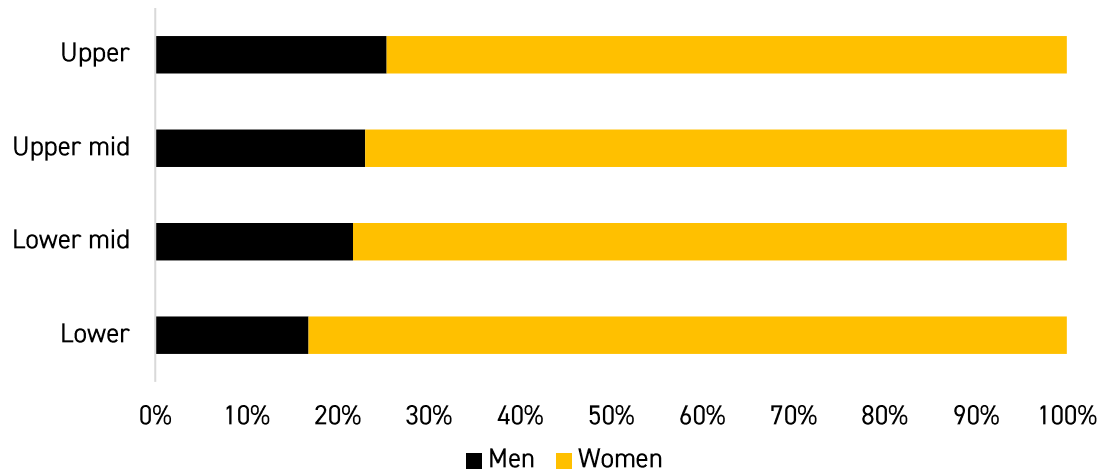
It is important to note that the size and distribution of the dataset will affect the statistics reported. The mean is best used to describe data with a normal number distribution (a bell-shaped curve). Outliers (extremely low or high values) can skew the mean reported and misrepresent the pay gap reported.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

Our gender pay gap data is skewed, due to our population structure, and therefore the median is a better measure of our difference.

## Average Hourly Pay

Hourly pay is the sum of ordinary pay and any bonus pay paid in the April 2022 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.



2022	Men	Women
Upper	25%	75%
Upper mid	23%	77%
Lower mid	22%	78%
Lower	17%	83%

Our employee population continues to have a women majority across all pay levels, with the highest percentage of women (83%) found in our Lower hourly pay quartile. Compared to the previous reporting year, the percentage of men has decreased in both the Lower and Upper quartiles, whilst remaining the same in the Upper-mid and Lower-mid quartiles. This denotes a decrease of men across our whole working population

**2022 Mean:** We have a mean hourly pay gap of 15.3% (an improvement of 0.6% from the previous year), still in favour of men. This gap is due to our upper hourly pay quartile (14.5% in favour of men), driven by our Tapestry corporate population (25.3% difference in favour of men). Pay equity in our biggest population (retail) is far more equal with only a 0.5% difference in favour of men.

**2022 Median:** We have a median hourly pay gap of 5.3% in favour of men. The cause of this gap is likely due to our corporate population, where our upper hourly pay quartile is 27.2% in favour of men. The gap seen in our upper pay quartiles (both mean and median) is affected by our global mobility program, which enabled senior corporate positions to relocate to the UK during the pandemic.

## Bonus Pay

Bonus pay examines the bonuses paid, including vesting of equity awards, within the 12-month period (April 2021 to March 2022) before the April 5th, 2022, snapshot date.

**2022 Bonus received:** 73.8% of women received a bonus vs. 81.8% of men

**2022 Mean:** The mean bonus gap is 26.5% (an improvement of 9.9% from last reporting year), which means, on average, men earned higher bonus pay in this period.

**2022 Median:** The median shows a gap of 28.4% (an increase of 15.6% from last year) in favour of men.

When looking at our bonus gap in more detail we see that it stems from our corporate population (mean = 23.9%, median = 33.6%) more than our retail population (mean = 0.0%, median = 27.3%). The retail mean suggest bonus pay equity, whilst the median suggests discrepancies in bonus pay out in the genders perhaps due to stores receiving different monthly sales incentive pay-outs (which is based on store sales performance) or a gender imbalance within our store leadership positions (who receive an annual bonus). The corporate bonus gap can be attributed to our upper pay quartile suggesting an uneven distribution of men within the organisation i.e., more men are in the upper quartiles opposed to lower. We have a small number of men, compared to women, in each quartile, which makes it challenging to draw conclusions from the results. Both the mean and median stats in this category are affected by long-term incentives vesting during this period for senior corporate management and store managers.

## 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.

### **Wellbeing**

Employee's work-life balance continues to be a key priority. In addition to Tapestry Europe's adoption of hybrid working and year-round Flex Fridays have given our corporate employees the flexibility to better manage their work commitments and working environments. We continue to review new ways of working to support our people.

Tapestry's wellness resources and virtual tools continue to empower our employees to improve their work-life balance. Tapestry hosted workshops and provided resources on topics including stress management, emotional intelligence, financial wellbeing, as well as full access to LinkedIn Learning's own well-being content collection.

### **Our People & Inclusivity**

We uphold a culture that strives to celebrate difference and champion diversity. The European Inclusion council has been instrumental in driving forward our EI&D work, providing resources and hosting activities that bring our values to life locally. Our Europe community has learnt and celebrated on numerous occasions from Diwali, Holi and Pride to name a few. I'm very much looking forward to Passover in April, where our Jewish employees will share their experiences, traditions and what the celebration means to them and their communities.

We hosted an exclusive conversation with Kate Spade Social Impact Council member, Elisha London and Executive Director of Born This Way Foundation, Maya Enista Smith at our Sloane Square store last year. During the event Elisha and Maya discussed the mission behind the Kate Spade Social Impact Council, the founding of Born This Way Foundation and their work in the mental health space and the vital role it plays in the empowerment of women and girls.

### **Giving Back**

Our teams are passionate about giving back to local communities and causes. In the spring of 2022, we had our first volunteering away days as a brand. Our corporate and retail teams spent 2 days with The Garden Army, a charity dedicated to supporting people with mental health and wellbeing needs, to work in a therapeutic environment.

Kate Spade continues to invest **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 10<sup>th</sup> annual on purpose fundraiser, dedicated to the Masoro community. We'll raise funds globally to provide support for the sustainability of integral spaces within their community, such as health, learning and sports centres.

Coach's ongoing Dream It Real philanthropic programme continues to help young people fulfil their potential and we are extremely excited to bring the Dream it Real mentoring program to the UK for the

first time. We will be Launching the 3-month programme, partnering with **Be-Intrinsic** - a London-based youth organisation and former Dream It Real delivery partner, that provides access to creative arts and other opportunities for vulnerable and disadvantaged young people.

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

A handwritten signature in black ink, appearing to read 'Catherine Levesque', with a long horizontal flourish extending to the right.

Catherine Levesque  
**SVP, General Manager, Tapestry Europe**