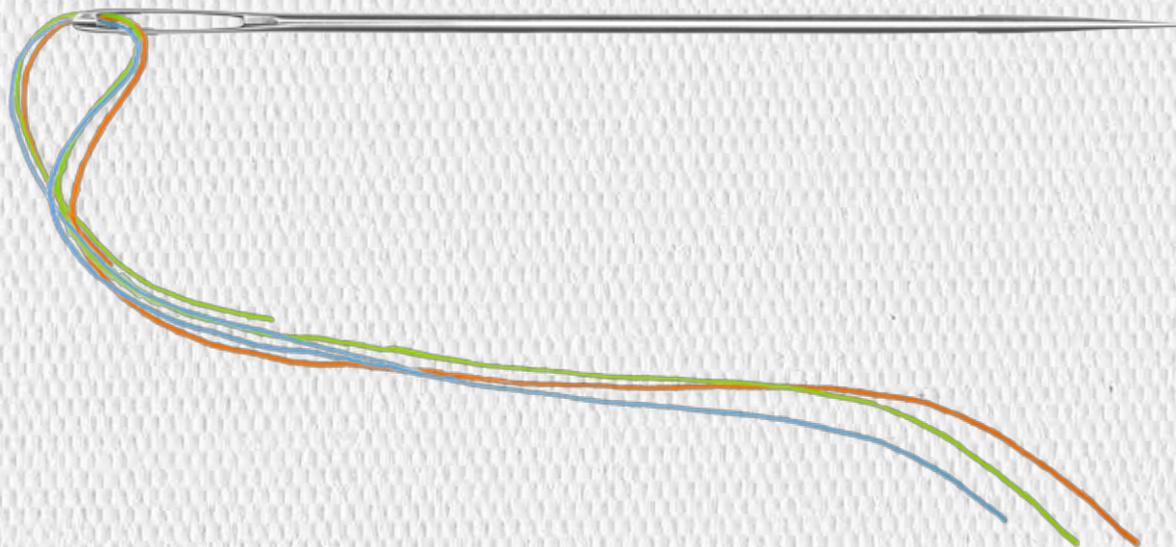


# CORPORATE SOCIAL RESPONSIBILITY REPORT 2014

DRIVING POSITIVE IMPACTS FROM SOURCE TO STORE



## ABOUT THIS REPORT

Corporate Social Responsibility (“CSR”) is central to PVH’s business and we are committed to transparency on these issues. This, our seventh annual CSR report, provides information and performance data on our operations during our 2014 fiscal year, which ended February 1, 2015.

This report explores actions taken in 2014 – both at a corporate and individual associate level – to further implement our Source to Store approach to CSR. We specifically assess our impacts on three key issues – people (including human rights and human resources), the environment, and the communities where we live and work.

The “Responsible Business” section of this report details efforts to operate responsibly at a corporate level. The section outlines initiatives to help support, develop, and engage associates, as well as to develop a strategic approach to philanthropy that supports women and children. The “Source and Make” and the “Sell and (Re)Use” sections report on actions we are taking to improve our social and environmental performance across our supply chain and product lifecycles. This includes initiatives such as the updates to our human rights program and cross-industry collaboration on chemicals management. As our CSR initiatives evolve, we are setting new goals, targets, and key performance indicators to help track our work and impact.

## PERFORMANCE SUMMARY

Our 2014 performance summary includes 2013 data for comparison where appropriate. This report meets the Global Reporting Initiative’s (“GRI”) G3 level C requirements (self-assessed). Please see our GRI index online at [www.pvhcsr.com/2014/gri](http://www.pvhcsr.com/2014/gri).

## ABOUT PVH

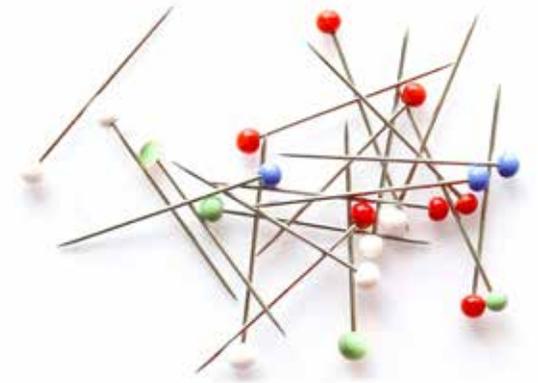
PVH Corp., one of the world’s largest apparel companies, owns and markets the iconic *Calvin Klein*, *Tommy Hilfiger*, *Van Heusen*, *IZOD*, *ARROW*, *Speedo\**, *Warner’s* and *Olga* brands. It is the world’s largest shirt and neckwear company and markets a variety of goods under its owned and licensed brands.

For further details on our company, visit:  
[www.pvh.com/OurCompany](http://www.pvh.com/OurCompany).

\*The Speedo brand is licensed for North America and the Caribbean in perpetuity from Speedo International, Limited.

# CONTENTS

		– 2		– 3		– 4		– 5	
	INTRODUCTION		RESPONSIBLE BUSINESS		SOURCE & MAKE		SELL & (RE)USE		PERFORMANCE SUMMARY
	Chief Executive's Officer's Statement	4	<b>EMPOWERING PEOPLE</b>		<b>EMPOWERING PEOPLE</b>		<b>EMPOWERING PEOPLE</b>		<b>EMPOWERING PEOPLE</b> 51
	2014 CSR in numbers	6	PVH – one of the world's largest apparel companies	14	Evolving our human rights program	28	Retail associate recognition and training	44	<b>PRESERVING THE ENVIRONMENT</b> 54
	Chief Risk Officer's Statement	7	Investing in our associates	16	Global factory footprint	31	<i>Calvin Klein Home Artisan Collection</i>	45	<b>SUPPORTING COMMUNITIES</b> 56
			Building a global PVH community	17	Day in the life of a CSR Assessor	32	Q&A with Amy Mellen, Creative Director, <i>Calvin Klein Home</i> and Andrew Hughes, Glassblower and Artisan Collection partner	45	
	– 1		<b>PRESERVING THE ENVIRONMENT</b>		Factory fire and building safety	34			
	OUR APPROACH		Environmental footprint and resource use	19	Q&A with Rob Wayss, Executive Director of the Bangladesh Accord on Fire and Building Safety	34	<b>PRESERVING THE ENVIRONMENT</b>		
	Our Source to Store approach	10	Office environmental initiatives	21	Collaborative initiative spotlight	35	Retail and distribution highlights	46	
	Our three focus areas	10	<b>SUPPORTING COMMUNITIES</b>		Q&A with Mark Green, Executive Vice President, Global Supply Chain and Marissa Pagnani, Vice President, CSR	36	<b>SUPPORTING COMMUNITIES</b>		
	CSR governance	11	Renewed focus on women, children, and education	22			Van Heusen engages consumers with #GiveAShirt social media campaign	48	
	Stakeholder engagement and materiality	11	Partnering with Save the Children	23	<b>PRESERVING THE ENVIRONMENT</b>		Retail giving highlights	49	
			Associate volunteerism and philanthropy	24	Environmental initiatives in the works	38			
			Associate volunteerism highlights	24	Chemical management	40			
			Brand spotlight: Tommy Hilfiger 2020 Sustainable Evolution	25	<b>SUPPORTING COMMUNITIES</b>				
			Q&A with Daniel Grieder, CEO of Tommy Hilfiger	25	Global sourcing communities outreach	41			
					Snapshot of sourcing region community programs	42			





# Chief Executive Officer's Statement



**EMANUEL CHIRICO**  
Chairman and  
Chief Executive Officer

**I am pleased to introduce PVH's 2014 Corporate Social Responsibility Report, our seventh annual report. 2014 was a year of action for PVH. We focused on making strategic investments to position the company for long-term success. During 2014, we evolved our approach to CSR to reflect the broader scope and global footprint of our business.**

As we have grown into one of the largest global apparel companies in the world, with over 30,000 associates in 40 countries, we now have an even greater obligation to build on our 20-plus year commitment to doing the right thing. As an industry leader, we aspire to have positive impacts – from Source to Store – by empowering people, preserving the environment, and supporting the communities in which we work and live.

We are focused on empowering all people who make our business a success, from our associates to factory workers. In 2014, we undertook

a number of initiatives that helped to strengthen our community and make PVH a great place to work. We invested in talent management and learning and development programs, and launched our first associate-facing campaign, which focused on our core values and was designed to connect our associates around the world.

Our human rights program underwent significant enhancements in 2014. We offered new CSR tools to suppliers, increased our focus on helping factories implement sustainable solutions to endemic challenges, and expanded our program to better address issues around fire and factory safety. These changes position us to generate greater positive change for individuals in our supply chain and the communities in which they live.

Environmental sustainability remains an important focus area for PVH as we began to build upon our work on chemical management. The

CSR team is working across the company to establish a consistent approach to reducing harmful chemicals in our supply chains. This effort will also help us forge a deeper understanding of supplier practices and ultimately help us reduce the environmental impacts of our production.

Additionally, I am excited about the launch in 2014 of our Global Community Relations division. Under this new platform, we will strengthen our global philanthropic partnerships and align community outreach efforts within each business and service/operations division, as well as each region. We celebrated this new dedicated focus with a \$5 million commitment to support Save the Children's early childhood education programming. Our partnership allows us to better support Save the Children's efforts to create lasting changes in the lives of children in need.

I am incredibly proud of the dedication and passion from PVH associates around the

world. Not only do our associates strive to do their jobs well, they also execute with strong consideration for the people, environments, and communities in which we work and live. A number of challenges lie ahead but the dedication to CSR across our company is boundless.

**Emanuel Chirico**  
Chairman and  
Chief Executive Officer

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**"We are focused on empowering all people who make our business a success, from our associates to factory workers."**

– Manny Chirico –  
Chairman and Chief Executive Officer

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# 2014 CSR IN NUMBERS



 **95%**  
of associates responding to the PVH Listens Associate Satisfaction Survey agreed they are proud of the work they do.

**2,800+**   
internal and external partners participated in 40 trainings sharing CSR program enhancements and policies.

  
**700,000+**  
individuals throughout our supply chain.

**740**   
children enrolled in the 25 pre-schools we have opened with Save the Children and our suppliers in Bangladesh. 12 new pre-schools and three parenting resource centers opened in 2014.

**~\$13M**   
in financial and in-kind corporate contributions to charitable organizations in 2014.

 **\$5M**  
our multi-year commitment to our worldwide philanthropic partner, Save the Children.

**7,332 lbs**   
of plastic per year saved by Speedo's new "hanger-less" hanger.

 **38M**  
PVH dress shirts produced in 2014 were OEKO-TEX® Standard 100 certified, meaning they were produced in accordance with strict chemical guidelines.

**1.13M lbs**   
of cotton sourced by Tommy Hilfiger through the Better Cotton Initiative.

**12<sup>th</sup>** PVH's rating in *Corporate Responsibility* magazine's 2014 list of "Best Corporate Citizens" in the human rights category; we also ranked 32 out of 100 in the overall ranking.

**4<sup>th</sup>** PVH's rating in *Fortune* magazine's annual list of "The World's Most Admired Companies" for the apparel industry.



# Chief Risk Officer's Statement

**MELANIE STEINER**  
Senior Vice President  
Chief Risk Officer

**At PVH, our main goal for Corporate Social Responsibility is to drive positive impacts on the front line where it matters – all the way from where we source goods to the stores where we sell our products to the in-office associate experience. As an industry leader, we have both the responsibility and the opportunity to effect positive change. I am proud of the actions we took in 2014 to address our three core impact areas: people, the environment, and the communities where we live and work.**

We aim to be a positive presence in the lives of all people who are influenced by our business. In 2014, in addition to launching a number of new associate engagement initiatives, we strengthened our long-standing human rights program. We developed new tools and guidelines to improve worker well-being, and we rolled out these program enhancements through a series of global trainings that reached over 2,800 internal and external partners. Training session

attendees from across the PVH supply chain expressed a similar commitment to partnership and transparent communication.

Our dedication to improving the lives of people throughout our supply chain is further evidenced through our engagement with the Accord on Fire and Building Safety in Bangladesh ("the Accord"). The Accord is an innovative tripartite initiative intended to drive sustainable change in Bangladesh's ready-made garment industry. Our participation in the Accord guides our independent efforts and is making an impact in Bangladesh. Our direct involvement will continue as I undertake a second term as a member on the Accord Steering Committee.

In 2014, we have also made progress on efforts to preserve the environment. A key focus has been implementing the PVH Chemicals Commitment and Action Plan, established in 2013. Our work this year centered on internal awareness and education. We launched an 80 person cross-company task force to

share information and align goals, with the ultimate aim of reducing harmful chemicals from our global supply chain. Enabling collaboration across the company was a critical stepping stone.

Finally, our newly established Global Community Relations department extended the company's commitment to women and children with a \$5 million grant to Save the Children. This development presents exciting opportunities for both our internal PVH community and the communities in which we live and work.

Our actions in 2014 strengthened our foundation for efforts to come. Advances over the last year are due to the dedication and hard work of the more than 50 CSR team members and key internal partners, notably across our Sourcing organization and senior management team.

In 2015, we are working to further embed CSR best practices across the business and deliver more precise methods to measure our impacts. We will continue to

work closely with suppliers to help them develop the skills and knowledge they need to improve factory conditions, so we can move beyond compliance to elevate the livelihoods of the people across our supply chain.

Finally, we are putting greater emphasis on environmental issues by analyzing our global footprint and establishing a group-wide strategy to reduce our environmental impact. We look forward to improving PVH's CSR efforts and we welcome your input and ideas as we take our next steps.

**Melanie Steiner**  
Senior Vice President,  
Chief Risk Officer

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**"Our actions in 2014 strengthened our foundation for efforts to come."**

– Melanie Steiner –  
Senior Vice President,  
Chief Risk Officer

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# OUR APPROACH

Positive impacts from Source to Store



At PVH, CSR is central to how we conduct business and applies across all stages of our operations and supply chain. Our aim is to empower people, preserve the environment, and support communities from Source to Store – including how we source fabric, design and manufacture products, and engage with stakeholders.

## OUR SOURCE TO STORE APPROACH

We grow global lifestyle brands while staying true to our PVH Core Values of passion, integrity, individuality, partnership, and accountability. We do this by collaborating with our associates, supply chain partners, and other stakeholders.

As PVH evolves, we are putting more rigor behind our programs and developing a complete set of corresponding key performance indicators ("KPIs"), upon which we will report in the future. In the interim, we created a set of targets across our priority projects and have been measuring our progress internally.

At present, most of our CSR initiatives are focused on the "Source" and "Make" stages of our business – where we have the most direct control. Over time, we plan to expand our program and implement more initiatives around the "Sell" and "(Re)use" stages.

## OUR THREE CSR FOCUS AREAS

Through our Source to Store approach to CSR, we seek to have a positive impact on the following areas:

### EMPOWERING PEOPLE

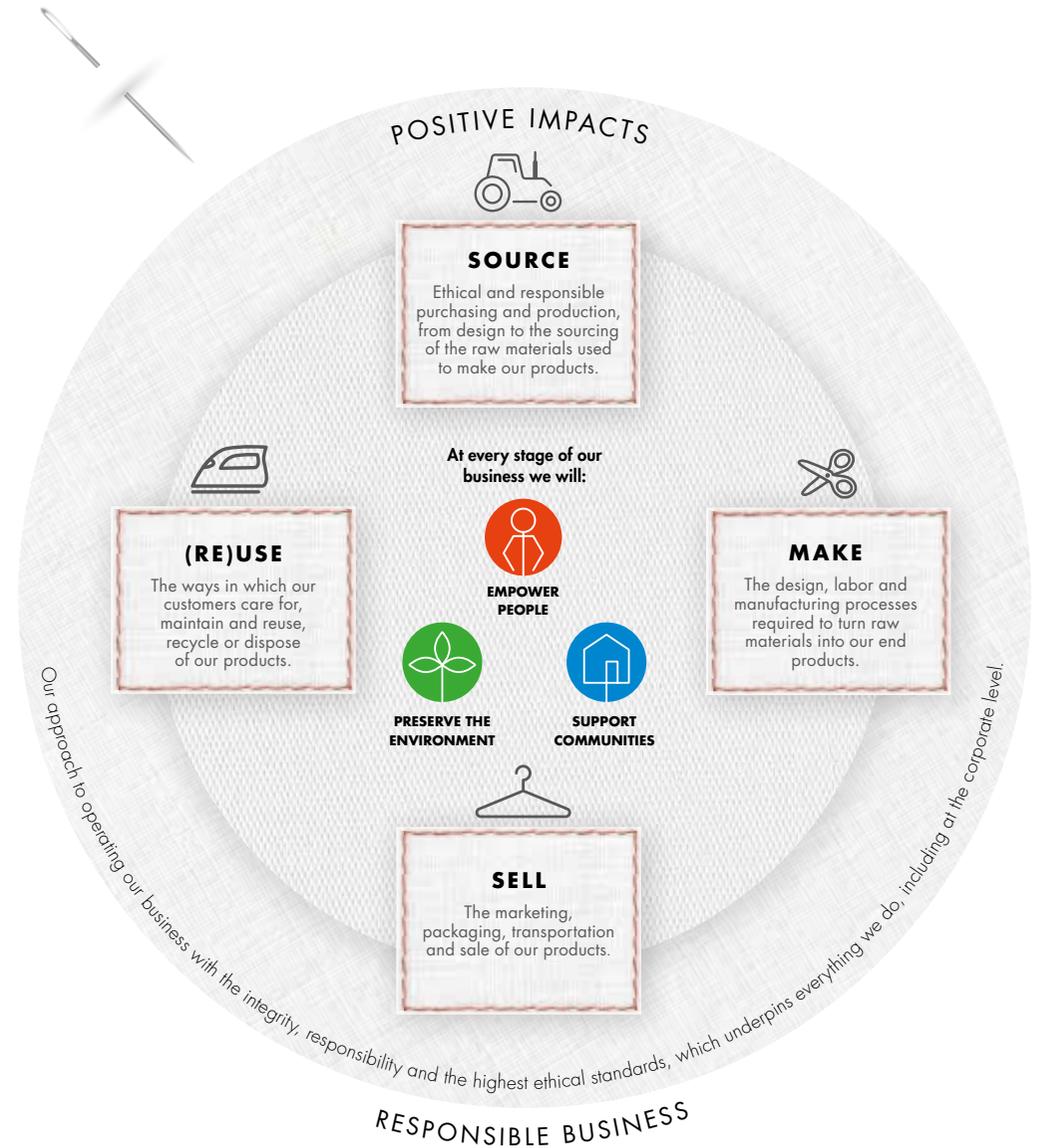
We aim to be a positive presence in the lives of all the individuals we reach through our business – from our senior executives, corporate associates, and retail associates to our supply chain partners and workers, industry associations, and the communities where we live, work, and operate. This means protecting human rights, fostering safe and secure working conditions, celebrating diversity, and enriching the associate experience.

### PRESERVING THE ENVIRONMENT

The earth's resources are finite. We need to identify more sustainable ways to produce and sell our products. We are committed to reducing our environmental impacts through efficient resource use, and more sustainable product development, manufacturing and packaging.

### SUPPORTING COMMUNITIES

We are passionate about making a difference in the communities where we live and work. Through philanthropy, volunteerism, and partnerships with charitable organizations, we will continue to invest in local communities to create better futures.



## CSR GOVERNANCE

Responsibility and accountability for CSR sit at all levels of our organization, starting with PVH senior leadership and our Board of Directors. We are one of the few apparel companies to have a CSR Committee of the Board of Directors. The Committee advises the Board and PVH leadership on policies and strategies that affect and strengthen our ability to act as a socially responsible organization, including our human rights program.

In its sixth year, the Committee was comprised of five Directors in 2014. In June 2015, two of the founding members, Rita Rodriguez, the committee Chairperson, and Bruce Maggin, retired. We take this opportunity to thank them for their commitment and contribution.

PVH's Chief Risk Officer, Melanie Steiner, directs the development and implementation of our CSR strategy with support from the

Vice President of CSR, Marissa Pagnani. We have more than 50 dedicated CSR associates in nine countries across Europe, Asia, and the Americas who contribute to the efforts.

PVH's global legal team oversees compliance issues, and as such, drives our focus on relevant environmental and social legislation, such as addressing conflict minerals in our supply chain.

As part of our commitment to compliance, we require all PVH associates, as well as PVH Board members, to participate in annual compliance training. Associates take online courses on putting our Code of Business Conduct and Ethics, our Anti-bribery Policy, and other corporate policies into practice. In 2014, we launched *Tell PVH*, an expanded global resource for reporting policy violations, as well as inappropriate and unethical conduct.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY

### ENGAGING OUR STAKEHOLDERS

Stakeholder engagement is critical to shaping our CSR efforts at PVH. Through ongoing dialogue with key external partners, we listen and learn. This helps us respond to pressing issues and enables stakeholders to hold us accountable.

The key stakeholder groups we engage include associates, investors, supply chain partners and workers, non-governmental organizations ("NGOs"), industry associations, governments, communities, customers, and our consumers. We communicate through a variety of channels, including meeting meetings, roundtables, surveys, and participation in multi-stakeholder and industry initiatives.

STAKEHOLDER GROUP	HOW WE ENGAGE
<b>Associates</b>	We regularly engage our associates on CSR issues through direct engagement and internal communications channels, such as our intranet website <i>The Thread</i> . Associates across the company have opportunities to volunteer in local community events and philanthropic efforts. We provide regular training on our Code of Business Conduct and Ethics.
<b>Investors</b>	We respond to investor queries. Through our corporate website and CSR report we communicate how we manage social and environmental risks and how this makes PVH a more responsible company.
<b>Supply chain partners and workers</b>	We support our suppliers in meeting our CSR standards by providing guidance and training, as well as through open communication. We partner with them to resolve any environmental or social issues however identified, including through our factory assessment program.
<b>NGOs</b>	We respond to NGO inquiries regarding CSR policies and practices, as well as significant events in the industry. We undertake projects in partnership with NGOs to address specific social and environmental issues.
<b>Industry associations and multi-stakeholder initiatives</b>	We work closely with peer companies to address industry-wide issues and work towards long-term solutions. We are members of numerous working groups and industry programs. We also engage directly with industry associations in key manufacturing countries to promote and strengthen ownership's responsibility for compliance to broaden the CSR focus areas across the industry.
<b>Governments</b>	We engage with governments on specific issues, like freedom of association, compensation and benefits, and building fire and structural safety. We also look to governments for expertise on issues and liaise with them when entering or exiting local markets or factories.
<b>Communities</b>	Through our philanthropic efforts, we seek to help improve the lives of women and children in communities in which we work and live. We view education as a critical issue through which we can help women and children in underserved communities overcome challenges they may face. Additionally, PVH associates engage directly with communities through volunteer and fundraising activities.
<b>Retailers and customers</b>	Retailers, wholesale customers, and end consumers are increasingly interested in CSR issues. We communicate our CSR approach and performance to them via our corporate website, CSR report, and other communication vehicles.

## MATERIAL TOPICS

We conducted a materiality assessment in 2013, based on the Global Reporting Initiative's ("GRI") guidelines. We followed a three-stage process:

**1. Identify:** a comprehensive list of potential CSR topics based on GRI indicators and apparel sector benchmarking.

**2. Prioritize:** the topics in consultation with key internal stakeholders, drawing on their knowledge of external stakeholder needs and PVH's business objectives.

**3. Compile:** a consolidated list of material issues.

The results of this assessment helped shape our CSR activities and reporting in 2014. We will conduct a more extensive materiality assessment in line with GRI's G4 guidelines in 2015. The assessment process will build on our 2013 approach and will include a stakeholder survey and in-depth interviews. The results will be used to set future CSR strategy development and reporting disclosures, as well as to set new key performance indicators.

## KEY TOPICS IDENTIFIED INCLUDE:

### EMPOWERING PEOPLE

Human rights

Factory fire and structural safety standards

Responsible entry and exit of factories

Employee health, safety, and wellness

Talent management

Inclusion and diversity

Consumer engagement on CSR issues

### PRESERVING THE ENVIRONMENT

Sustainable design and manufacturing

Harmful chemicals

Water

Energy use and carbon emissions

Waste

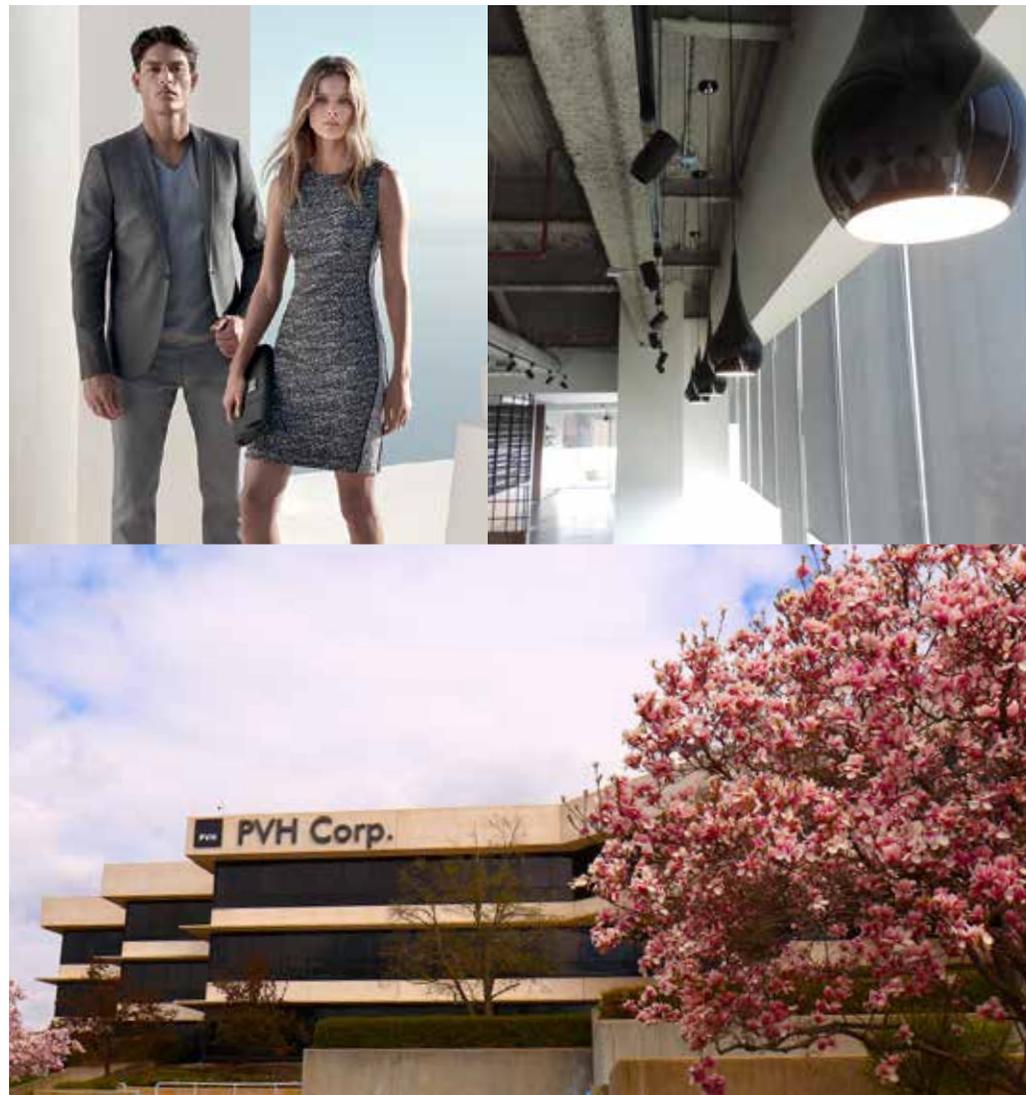
Biodiversity and animal welfare

### SUPPORTING COMMUNITIES

Philanthropic giving

Aiding supplier communities

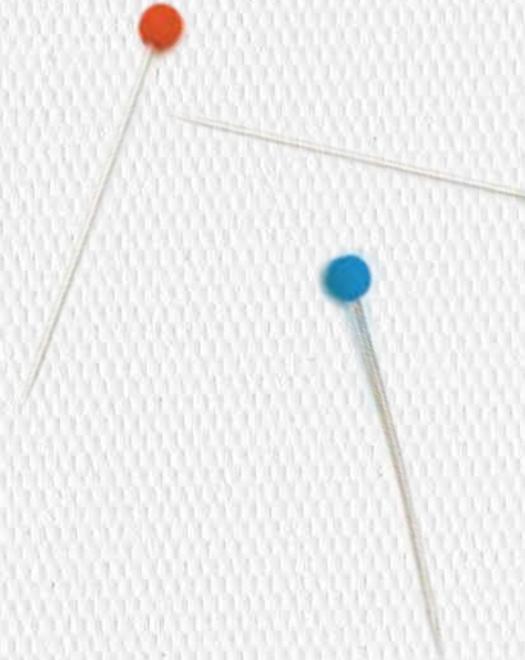
Associate volunteering and community engagement





# — 2 RESPONSIBLE BUSINESS

Operating with responsibility  
in everything we do



As a responsible global business, we are committed to addressing the social and environmental challenges that matter most to PVH, our stakeholders, and the apparel industry. Doing the right thing is central to how we do business. Our business divisions unite through a shared set of values. We are transforming the way we work on human rights to deepen our impact, laying the foundations of an environmental program, and adopting a strategic approach to making a difference in our communities, primarily through our philanthropic efforts. Above all, we are creating a bright future for our company by investing in our associates and the next generation of leaders.



## RESPONSIBLE BUSINESS: EMPOWERING PEOPLE

### PVH – ONE OF THE WORLD’S LARGEST APPAREL COMPANIES

As PVH expands, we continue to build a connected global community that engages our associates, improves productivity, and drives superior results. We strive to make PVH a great place for our associates to work. In 2014, we introduced five PVH Core Values that are central to our identity. These values – individuality, partnership, passion, integrity, and accountability – drive our strategy, set our culture, and guide our decisions and behaviors at work.

The results of our bi-annual associate survey, “PVH Listens,” revealed that our associates’ satisfaction levels are high when compared against a cross section of similar companies in the consumer goods industry in the regions where we operate. The survey also indicated that associates around the world felt proud to work at PVH and have confidence in senior management. To build on our strong results and to attend to areas of opportunity, in 2015, individual divisions and departments will roll out initiatives to further enhance our culture of excellence.

#### ASSOCIATE WELL-BEING

We continue to invest in our people through competitive pay and benefits, and look after their needs away from the workplace. In 2014, 87% of full-time U.S.-based associates took advantage of our 401(k) retirement plan, while 78% participated in our medical plan. Based on a two-year review, we made a number of enhancements to benefit offerings in offices around the globe. We introduced a range of new benefits to associates in Brazil, Canada, Hong Kong, and Mexico to make programs there comprehensive and industry-competitive.

PVH’s internal health and wellness platform, HealthMatters, has been successful in the U.S. and we have future plans to extend to offices throughout Latin America and Asia. In 2014, approximately 2,800 associates participated in HealthMatters-sponsored fitness competitions. We also made enhancements to the HealthMatters website and upgraded pedometers with the digital Fitbit Zip to help associates better track their daily exercise. In the U.S. and Europe, we also offer subsidized rates for health clubs and host team sports to enable associates to pursue active lifestyles.



### ASSOCIATE SURVEY RESULTS FROM AROUND THE WORLD

#### BRAZIL

- **93%** of associates say they are proud to work at PVH and **95%** agree that PVH is a good corporate citizen.

#### ASIA

- **93%** of associates trust and **90%** have confidence in the leadership of both our CEO and Senior Management across our company.

#### EUROPE

- **93%** of associates enjoy the overall work environment and culture and **95% of associates** are proud to work at PVH.

#### NORTH AMERICA

- **93%** of associates agree that PVH maintains high ethical standards, **96%** feel encouraged to do the right thing, **97%** believe PVH is a good corporate citizen, and **95%** of associates say they are proud to work at PVH.

PVH also cares for the well-being of its associates through its Business Continuity Program, which involves associate preparedness, local site preparations, crisis management, and business recovery. In 2014, we introduced an Emergency Travel Assistance program that associates can use if a medical or security emergency develops while they are traveling on business.

**FOSTERING A DIVERSE AND INCLUSIVE CULTURE**

At PVH, we pride ourselves on creating an inclusive corporate culture that values diversity. With over 30,000 associates in more than 40 countries, we continue to focus on our commitment to inclusion and diversity across our global organization.

Our increasingly diverse workforce enriches our creativity and competitiveness. As an example, around 38% of our approximately 5,300 non-retail associates in the

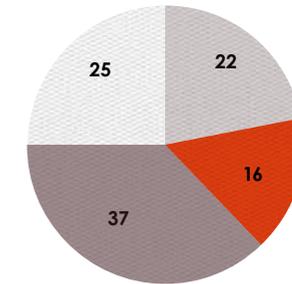
U.S. are male and 62% are female, which is consistent with 2013. Overall, promotions awarded in the U.S. in 2014 were more representative of the diverse make-up of our company. In particular, we discovered that the rate of promotion of women from minority backgrounds rose from 16% to 25%.

At the recommendation of our Inclusion and Diversity Council, we launched the PVH Women's Leadership Council to provide leadership development and mentoring/ sponsorship opportunities to women across PVH. The initiative is being piloted in the U.S., with plans to expand globally. We will also launch an education and awareness campaign so that associates at all levels understand the importance of continuing to build a culture that embraces and supports Individuality, one of our PVH Core Values, and reflects the diversity that strengthens a global company.

“We believe each individual associate brings unique contributions to our culture and business and we celebrate these differences. Inclusion and diversity have become increasingly important as we transform to match our global corporate footprint. I anticipate many exciting developments in the coming year, including activities from the launch of our Women’s Business Leadership Council.”

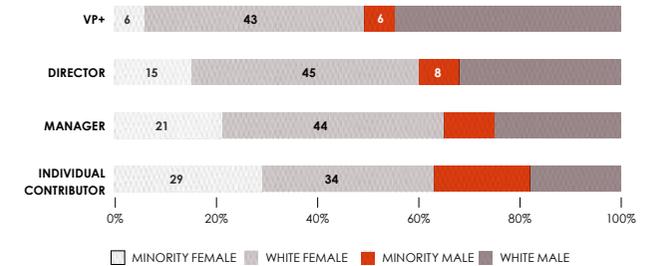
– Dave Kozel –  
Executive Vice President of Human Resources

GENDER AND ETHNICITY TRENDS, U.S. ASSOCIATES (%)  
DIVERSITY ANALYSIS-2014\*



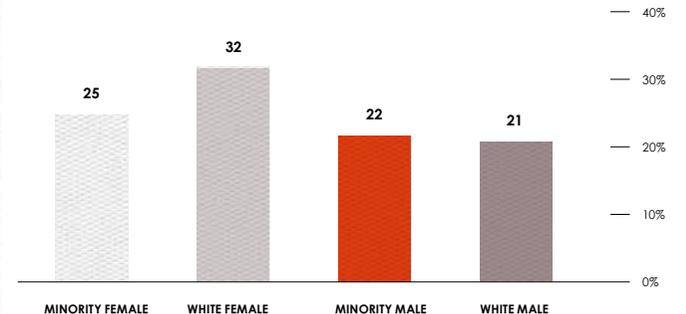
MINORITY FEMALE WHITE FEMALE MINORITY MALE WHITE MALE

DIVERSITY REPRESENTATION: BY LEVEL-2014\*



MINORITY FEMALE WHITE FEMALE MINORITY MALE WHITE MALE

DIVERSITY REPRESENTATION: PROMOTIONS-2014\*



\*Data is for the U.S. workforce, excluding retail and temporary associates. Similar data is not available for non-U.S., associate populations, in part due to regulatory restrictions.



## INVESTING IN OUR ASSOCIATES



We made significant investments last year to provide associates with the resources to develop the skills they need to excel professionally. The PVH Learning and Development team conducted its first annual learning and development needs analysis in 2014 to identify skills and knowledge gaps across the organization. We also launched the PVH Global Talent Council, a group of leaders from across the company who champion initiatives and make sure talent plans align with the business strategy.

Enhancing our training programs was a priority for 2014 and associates responded positively to new offerings by filling classrooms. Key program developments in 2014 included the following:

Key program developments in 2014 included the following:

- Approximately 140 classes were conducted for 2,600 associates in and around our global headquarters in New York City.
- Eleven new training courses covered topics like negotiation skills, coaching, and delegation.

- Associates now have easier access to courses through a more automated enrollment process.
- Access to Lynda.com, an online education platform, is now available for over 700 Global Supply Chain associates across different locations in Asia.
- In Europe, our Professional and Leadership Academies offered 72 courses to approximately 1,000 associates.
- The second annual PVH Global Training Summit united over 50 human resources associates to share best practices, build partnerships, and leverage resources to support the growth of PVH associates.

### LEARNING FROM OUR LEADERS

We have a strong bench of executives committing time to help develop PVH associates, and associates are asking to learn directly from these leaders. In 2014, we began to develop our "Leaders as Teachers" program, which will allow associates to attend educational sessions facilitated by our senior executives on issues relevant to their functions.

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**"In the year since we held the first Learning and Development Summit, we have seen an increase in collaboration across the global learning and development community. We are excited about future initiatives to respond to associate requests, including expanding e-learning platforms for associates sitting in our over 40 locations around the world."**

– Lori Bradley –  
Senior Vice President, Global Talent Management  
& Organizational Development

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## PAVING THE WAY TO LEADERSHIP SUCCESS

In 2014, we were excited to launch the PVH Global Leadership Program ("GLP"), a six-month structured leadership development experience for senior leaders. The GLP aims to enhance leadership, business, and strategy skills; build stronger cross-functional partnerships; and drive a better understanding of the global business, including PVH's new core values. It was developed by the Talent Management & Organizational Development group in partnership with the PVH Global Talent Council, senior executives, the HR Leadership Team, and the

Wharton School, a global leader in business and executive education.

The GLP is by nomination and the program curriculum includes:

- Classroom and experiential learning provided by Wharton
- 360 survey and leadership style inventories
- Executive coaching
- Cross-functional collaboration

The GLP is just one way that PVH will continue to support, develop, and set up leaders for success by focusing on collaboration, innovation, and execution.

***"Building a network within PVH was one of the key takeaways from the program."***

– Frank Cancelloni –  
President, Calvin Klein Asia Pacific

***"One of the strongest elements of the program was the time spent with peers from other regions and brands."***

– Martijn Hagman –  
Chief Financial Officer, Tommy Hilfiger Global and PVH Europe

***"(The Global Brand Strategy session) brought real focus on branding today."***

– Molly Yearick –  
President, PVH Neckwear

***"Participating in the program makes me feel valued as part of the company."***

– Avery Baker –  
Chief Brand and Marketing Officer, Tommy Hilfiger



Participants in the PVH Global Leadership Program take part in a team-building activity



## BUILDING A GLOBAL PVH COMMUNITY THROUGH PVH CORE VALUES

PVH takes great pride in being a good corporate citizen, and we believe that engaging our associates is the key to driving superior results. In 2014, we introduced our PVH Core Values, which shape our global culture, guide our decisions, and inspire us.

To celebrate, we launched our first associate-facing campaign, "Get Endorsed", on our new global company intranet, *The Thread*. The campaign leveraged the "We Are PVH" internal community website, a custom digital social platform designed to connect our associates around the world.

Associates created profiles noting their office location and divisional affiliation, posted "selfie" photographs and quotes showcasing what each value meant to them (putting a face behind the thought), and endorsed each other's posts. Associates with the most endorsements for the Value-of-the-Month were featured in the PVH Weekly Snapshot *Thread* recap email each Friday and our "From the Desk" associate Q&A profile series, connecting us in more meaningful ways than ever before.



From Sri Lanka to Mexico, Hong Kong to Bridgewater, New Jersey, the campaign came to life overnight. Canada's HR department created incentive programs and set up a selfie photo shoot, while PVH Mexico celebrated with Core Values props at their holiday party and PVH Asia took the most group selfies. Calvin Klein's Creative Services team incorporated the selfie spirit in their New York office holiday lobby décor and launched a competition for the best group selfie, with Women's Collection Celebrity Atelier taking the top prize. Tommy Hilfiger's U.S. Retail Stores themed their *Tommy Times* quarterly

newsletter, "Let's Take a Selfie," and dedicated the issue to our Core Values.

The site garnered over 5,000 selfies and 170,000 endorsements in just four months. We also raised \$10,000 for our worldwide philanthropic partner, Save the Children, by engaging associates to post an additional 1,000 selfies in the month of December. The "We Are PVH" campaign will continue to evolve through other initiatives in an effort to engage associates around the world and strengthen our community.

## "GET ENDORSED" CAMPAIGN CHAMPIONS

Regional Associate Participation:  
**PVH Latin America**

Regional Brand Support:  
**Calvin Klein Asia Commercial**

Most Team Member Profiles:  
**Ken Duane, CEO, Heritage Brands and North America Wholesale**

Campaign Rallier:  
**Eileen Mahoney, SVP, Retail Information and Technology and the Global IT Team**



## RESPONSIBLE BUSINESS: PRESERVING THE ENVIRONMENT

### ENVIRONMENTAL FOOTPRINT AND RESOURCE USE

As a responsible business, we aim to reduce our effect on the environment by using natural resources more efficiently, eliminating the use of harmful chemicals, and properly disposing of waste. Our most significant impacts occur during the "Source" and "Make" stages of our business, as our products are manufactured, and the "Re(use)" phase when customers own and care for products. However, as a responsible business, it is also important that we work to reduce the environmental footprint of our corporate offices and logistics facilities over which we have more direct influence.

#### PERFORMANCE IN 2014

We continued to monitor the carbon footprint in our major facilities and prepared to monitor facilities across our expanded global footprint. While we saw emissions decrease slightly due to targeted changes in business operations and the reduction of our retail footprint in the U.S. market, we are beginning to explore new ways to reduce our environmental impacts in offices around the world. In

2014, our carbon footprint (Scope 1 and 2 emissions) across all sites monitored was 87,794 metric tons.

Additionally, we tracked water use and waste disposal at key locations, including what is composted, recycled, recovered, and sent to landfills. In 2014, we used an estimated 30,000 hundred cubic feet ("HCF") of water in facilities in the U.S. and Canada, which was up from 2013 due to an increase in employee headcount and production in U.S. warehouses. We increased the amount of waste diverted

in these locations by 2,981.4 metric tons in 2014, a change of approximately 54% from 2013. We also increased recycling from 2013 to 2014 by 56.52% and have an average recycling rate of 84% in the facilities noted in the table. We believe that this average recycling rate is largely attributed to the recycling of corrugated cardboard at our warehouses and distribution centers, which makes up the bulk of waste and recycling currently reported. These figures do not include our retail stores.

#### LOOKING TO THE FUTURE

In 2015, we will increase efforts to measure and assess our global carbon footprint to identify the most effective ways to reduce our emissions globally. We will map, set baselines, and capture data to reflect our larger global footprint. Additionally, we are working to create objectives and targets that we believe are achievable to reduce our environmental impacts over the next several years.

#### GREENHOUSE GAS EMISSIONS IN CO<sub>2</sub>e/MT<sup>1</sup>

	2013	2014
	CO <sub>2</sub> e	CO <sub>2</sub> e
Offices <sup>2</sup>	5,379.49	6,147.94
Retail <sup>3</sup>	62,700.27	54,865.86
Warehouse <sup>4</sup>	21,925.88	24,715.11
Vehicles <sup>5</sup>	2,089.42	2,065.34
<b>Total PVH Energy and Fuel Emissions (MT/CO<sub>2</sub>e)</b>	<b>92,095.06</b>	<b>87,794.25</b>

\* Note: The 2013 numbers and scope presented in the table above have been updated to reflect the latest methodology from the Intergovernmental Panel on Climate Change for calculating fugitive emissions. Additional updates were based on newly available information, such as corrections from estimated to metered utility bills. The 2014 analysis included 944 facilities.

<sup>1</sup> The unit of measurement MT is a metric ton.

<sup>2</sup> U.S., Canada, The Netherlands, and Hong Kong.

<sup>3</sup> U.S., Canada, Guam, and Puerto Rico.

<sup>4</sup> U.S., Canada, and The Netherlands.

<sup>5</sup> U.S., Canada, and The Netherlands.

## GREENHOUSE GAS EMISSIONS 2014 PROFILE BY SCOPE IN CO<sub>2</sub>e/MT<sup>1</sup>

	2014	
	CO <sub>2</sub> e	CO <sub>2</sub> e
	Scope 1	Scope 2
Offices	458.85	5,689.08
Retail		54,865.86
Warehouse	2,004.96	22,710.15
Vehicles	2,065.34	
<b>Total PVH Energy and Fuel Emissions (MT/CO<sub>2</sub>e)</b>	<b>4,529.15</b>	<b>83,265.10</b>

<sup>1</sup> The unit of measurement MT is a metric ton.

Scope 1 Emissions are direct greenhouse gas (GHG) emissions from fuel used.

Scope 2 Emissions are indirect GHG emissions resulting from indirect energy purchased.

## WATER USAGE IN HCF<sup>1</sup>

	2013	2014
Offices <sup>2</sup>	5,039.58	5,050.26
Retail <sup>3</sup>	15,084.67	15,261.95
Warehouse <sup>4</sup>	6,938.43	9,816.26
<b>Total Estimated Water Usage (HCF)</b>	<b>27,062.68</b>	<b>30,128.47<sup>5</sup></b>

<sup>1</sup> The unit of measurement HCF is one hundred (100) cubic feet.

<sup>2</sup> U.S., and Canada, estimated usage.

<sup>3</sup> U.S., estimated usage.

<sup>4</sup> U.S., Canada, metered usage.

<sup>5</sup> Increase is primarily from additional operations and employee count at Warehouses.

• Increase in Retail estimated water usage of 1.18%.

• Increase in Warehouse water usage of 29.3% attributable to increased production and employees.

• Change in estimated Office usage isn't statistically relevant therefore no change.

## RECYCLING AND WASTE DIVERSION STATISTICS

	2013	2014
Total Diversion Rate	68.95%	84.39%
Total Recycling Rate	67.74%	84.24%
Increased Recycling Rate from 2013 to 2014		<b>56.52%</b>
Increased Diversion Rate from 2013 to 2014		<b>54.04%</b>
Increased amount of waste diverted from landfill from 2013 to 2014 (MT) <sup>1</sup>		<b>2,981.40</b>

<sup>1</sup> The unit of measurement MT is a metric ton.

## WASTE AND RECYCLING IN MT<sup>1</sup>

	2013 <sup>2</sup>	2014 <sup>2</sup>
Composting	1.25	1.73
Recovery/Reuse <sup>3</sup>	2.92	3.96
Recycling	5,417.12	8,479.10
Incineration	331.67	232.80
Landfill	2,151.17	1,336.32
Waste to Energy/Biogas	95.24	13.14
E-Waste/Universal Waste	1.71	2.66
Deep well injection	N/A	N/A
On-site storage	N/A	N/A
Other	N/A	N/A
<b>Total Waste Generated (MT)<sup>4</sup></b>	<b>8,001.08</b>	<b>10,069.71</b>
<b>Total Amount Diverted (MT)<sup>5</sup></b>	<b>5,516.53</b>	<b>8,497.93</b>

<sup>1</sup> The unit of measurement MT is a metric ton.

<sup>2</sup> U.S., Hong Kong, and The Netherlands Offices, and U.S., and Canada Warehouses. This number excludes retail locations.

<sup>3</sup> Materials recovered for reuse or donation, primarily textiles.

<sup>4</sup> Total Waste Generated is the sum of all the waste and recycling categories.

<sup>5</sup> Amount diverted is the amount of waste kept out of landfill or incinerated (not for energy recovery) and includes materials composted, recovered/reused, recycled, and used for waste to energy/biogas.

## OFFICE ENVIRONMENTAL INITIATIVES

In PVH offices around the world, our associates are taking the initiative to reduce their environmental footprints by using resources more efficiently, cutting waste, and thinking creatively about recycling and reuse.

### MOVING TO ECO-FRIENDLY OFFICES IN MEXICO CITY

PVH associates in Mexico City recently moved to more eco-friendly offices at Capital Reforma, a modern skyscraper in the heart of the city. The offices feature a greater proportion of LED (light emitting diode) lighting and a more efficient air conditioning system that saves energy while reducing water usage by up to 20%. The new location is more central than the previous one, so associates can opt for a low carbon commute to work by walking, cycling, or using public transportation. We have also begun offering associates free memberships to EcoBici, Mexico City's new bike share program.

### MAKING OUR ENERGY SUPPLY IN THE NETHERLANDS MORE SUSTAINABLE

PVH facilities managers in The Netherlands initiated more sustainable energy use by

selecting a renewable energy supplier for European offices, company-operated retail stores, several warehouses, and showrooms. By consolidating energy contracts with one supplier, we have reduced our energy costs by 13%, as well as our overall impact on the environment. In addition, the team has developed a strategy that will offset the majority of our energy consumed in The Netherlands through the support of projects in Turkey and Peru.

### OPTIMIZING OFFICE PRACTICES IN HONG KONG

In Hong Kong, PVH associates have initiated efforts to optimize electricity usage, reduce paper consumption, improve recycling processes, and use more energy efficient lighting fixtures. Engaging with our associates has been central to this success. We regularly provide workshops to highlight the actions they can take to reduce the environmental impact of our offices, like making double-sided printing the default setting and keeping light fixtures clean to maximize their efficiency.

### TACKLING E-WASTE IN LOS ANGELES

The PVH Neckwear division in Los Angeles collaborated with a local e-waste center to responsibly dispose of 3,165 lbs of electronic waste. As part of its 2014 Earth Month activities, the division encouraged associates to bring broken or end-of-life electronics to a collection point in the office. The collection was so successful that organizers held two subsequent events during the year. Looking ahead, the group will maintain the tri-annual collection drive and install a permanent e-waste bin at their facility.



## CSR IN ACTION



## SUPPORTING COMMUNITIES THROUGH TEXTILE RECYCLING

Natasha Lewis, the facilities director for Calvin Klein's New York office, has taken a holistic approach to tackling textile waste generated during the design process. Yarns are sent to the *Haiti Project*, an initiative empowering women in Haiti to build sustainable communities. These inspiring female entrepreneurs are using the yarn to knit potholders and other items that they can sell to earn a living. Bolts of excess fabric are sent to *Materials for the Arts*, a textile recycling center in New York that provides other people's excess and unneeded supplies to charities and schools. Finally, damaged clothing is sent to the Community Baptist Church in Somerset, New Jersey. There, volunteers mend and redistribute clothes to the needy and use scraps to make quilts for local communities.



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**"My team works hard to find creative ways to reuse materials, save money, and make a difference. That is not just my directive; it is their initiative."**

— Natasha Lewis —  
Facilities Director, Calvin Klein, Inc.

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## RESPONSIBLE BUSINESS: SUPPORTING COMMUNITIES

### RENEWED FOCUS ON WOMEN, CHILDREN, AND EDUCATION

Supporting communities in which we operate around the globe is a long-standing priority and key to PVH's culture. We invest in communities through philanthropic initiatives, non-profit partnerships, and associate volunteerism. In 2014, we contributed approximately \$13 million to charitable causes. Through our donations, we continued in our philanthropic mission to support the needs of women and children around the world.

As we have acquired brands and businesses and become a global leader in the apparel industry, our approach to philanthropy has evolved. We seek to unite our branded businesses and operating divisions in a collective effort to improve the lives of women and children, particularly through education. In 2014, we took a major step toward fulfilling that vision by forming a Global Community Relations ("GCR") function to strengthen our global philanthropic partnerships and align community outreach efforts within each business, operating division, and region.

Through the new GCR function, we are taking a more focused, strategic approach to philanthropic giving. In particular, we are starting to consolidate efforts around a smaller number of key non-profit partners, better monitor our results, and streamline giving initiatives around the globe to make a more significant impact.

The new function encompasses The PVH Foundation, the charitable giving arm of PVH, and PVH Cares, the platform through which we bring associate volunteerism and fundraising to life. We encourage our associates to participate in global campaigns, while giving them the flexibility to support causes that are local or close to their hearts. Each of our businesses and operating divisions champion causes that reflects their values around efforts supporting women and children. Our nine global Community Involvement Committees consist of associates who are active in promoting philanthropy at a local level.



**"The Global Community Relations team will be the glue that binds our global philanthropic efforts together. We look to play a supportive role, guiding, strengthening, and multiplying our businesses' positive impacts. We also aspire to engage associates to take action and make a difference in their communities."**

– Guy Vickers –  
Senior Vice President of Global Community Relations  
and President of the PVH Foundation

CHARITABLE GIVING (USD AMOUNTS IN THOUSANDS)

	2012*	2013	2014
PVH Cash Contributions	\$8,073	\$5,684	\$4,888
Associate Pledges	\$216	\$227	\$206
Fundraising	\$523	\$509	\$464
Retail Customer Contributions	\$1,290	\$1,690	\$1,283
PVH Product Contributions (amounts in \$.000)	\$29,057	\$9,801	\$6,029
<b>Total</b>	<b>\$39,159</b>	<b>\$17,911</b>	<b>\$12,870</b>

\*There was a significant increase in donations from the U.S. market in 2012 as a result of PVH contributions to the victims of Superstorm Sandy.

## PARTNERING WITH SAVE THE CHILDREN

In December 2014, our Chairman and Chief Executive Officer, Manny Chirico, announced Save the Children as our worldwide philanthropic partner through a \$5 million commitment to its early education programs, building on our decade of partnership. Chirico shared the news during the White House Summit on Early Education, where he participated in a panel discussion titled "Challenging Leaders to Invest in Early Education."

PVH has contributed more than \$3.7 million to Save the Children since 2005 through our offices, operations, stores and associates. Now, we will work closely to reach more children around the world. This commitment also reflects our support for President Barack Obama's "Invest in US" campaign to build a better nation through high quality early childhood programs. Additionally, Manny, our Chairman and CEO, will

reinforce our financial support by joining Save the Children's Board of Directors.

PVH associates are also getting behind the partnership. In 2014, they raised \$10,000 for Save the Children through our "Get Endorsed" associate-facing campaign. As the partnership evolves, associates will have various volunteer opportunities and can participate in Save the Children's "Sponsor a Child" program.

"Today's children will be our future CEOs, leaders, and employees. We believe that improving access to high quality early childhood education is essential to helping children to succeed in work and in life."

– Manny Chirico –  
Chairman and Chief Executive Officer, PVH



"PVH has helped to create lasting change in the lives of children in need for nearly a decade. Our expanded partnership will help to give children the foundation they need for a strong future."

– Carolyn Miles –  
President and CEO of Save the Children

## ASSOCIATE VOLUNTEERISM AND PHILANTHROPY

In 2014, our North American associates raised over \$350,000 during our annual PVH Cares campaign, which has offices and facilities select a non-profit organization to support for an event-packed two weeks of volunteer and fundraising activities. Associate donations during this period are matched by the company with 50 cents for every dollar.

Additionally, we increased our financial commitment to associate giving in 2014 by making our matching gift program a year-round initiative in our U.S. offices. In the future, we plan to match every dollar and extend this program into other geographies.

### PARTNERING ON EDUCATIONAL INITIATIVES IN THE ARTS

Our businesses are increasingly collaborating on educational programs that leverage our strengths in fashion and design.

In 2014, Calvin Klein and Tommy Hilfiger associates volunteered with more than 100 children through Free Arts NYC, which engages over 1,600 underserved children and families through high quality arts mentoring programs each year. During three events, more than 100 Calvin Klein and Tommy Hilfiger associates worked with children to tackle creative arts projects aimed at fostering self-confidence and resiliency.

Additionally, the Calvin Klein Underwear and Izod Design Teams in New York provided fashion design mentorship to 10 clients of Safe Horizon's Streetwork facility, which offers shelter and empowerment to street-involved youth. Safe Horizon is the largest victim support agency in the U.S., and the Streetwork project benefits more than 19,000 young people annually. The educational workshop series culminated in a special runway show hosted in one of the Calvin Klein showrooms.



Preparing back-to-school kits for students in Mexico — Mexico City, Mexico

Working with the charity *Dignifica Tu Vida*, PVH associates created more than 200 back-to-school kits containing backpacks, notebooks, coloring pencils and geometric kits for children from disadvantaged communities in Puebla and Tlaxcala.



Supporting students with developmental disabilities — Bridgewater, New Jersey, U.S.A.

Every month, a group of PVH associates from the Bridgewater, New Jersey office volunteers at the Midland School, a non-profit school for children with developmental disabilities. In 2014, a total of 78 PVH associates assisted students in vocational programs or helped with general maintenance.

### CSR IN ACTION

## ASSOCIATE VOLUNTEERISM HIGHLIGHTS



Knitting baby hats to support newborn care — Seoul, Korea

In 2014, 24 Calvin Klein Commercial associates knit 78 wool baby caps for Save the Children's "Knit One Save One" campaign. The caps are intended to keep babies warm during their critical early months. They will be distributed to pregnant women and new mothers in Africa, Asia, and Latin America, along with advice on newborn care, as part of a campaign to reduce preventable and treatable deaths among children under age five.



Being a good neighbor in Harajuku

— Tokyo, Japan

Associates from Tommy Hilfiger Japan's cross-functional team participated in monthly neighborhood clean-ups in the streets near our flagship store in the Harajuku neighborhood of Tokyo.



Spreading holiday cheer in Montreal

— Montreal, Canada

In early November, 18 PVH Canada Associates prepared and served dinner for nearly 100 children and families at the Ronald McDonald House in Montreal. The Ronald McDonald House serves as a temporary home for families of children with critical illnesses.



Growing community gardens in Los Angeles

— Los Angeles, U.S.A.

The PVH Neckwear team partnered with the Los Angeles Community Garden Council to volunteer at the Mott Street Urban Farm, which grows organic food that is distributed in low-income communities at a low cost. Associates helped build a retaining wall, moved mulch, sorted compost, and even harvested vegetables. The PVH Neckwear office also supported a range of community activities, including a cycling competition to raise money for the American Diabetes Association.

## BRAND SPOTLIGHT

# TOMMY HILFIGER 2020 SUSTAINABLE EVOLUTION



In furtherance of PVH's commitment to CSR, Tommy Hilfiger is committed to becoming one of the leading sustainable designer lifestyle brands. To fulfill this vision, we have created the 2020 Sustainable Evolution Strategy – a roadmap to guide and shape our brand's sustainability journey. Our strategy is based on three fundamental principles and 10 commitments, which encompass the sustainability issues that matter most to our business.

### Q&A WITH DANIEL GRIEDER, CEO OF TOMMY HILFIGER

#### How did Tommy Hilfiger's sustainability journey evolve?

**DG:** Since we first launched our CSR program in Europe, it has evolved to become an important part of our daily business practices globally. In 2014, we introduced our Sustainable Evolution Strategy that outlines the 10 commitments we aim to achieve by 2020. These goals will improve the way we create our product, the way we operate, and the way we connect with our stakeholders.

#### What does sustainability mean to Tommy Hilfiger and why is it an important strategic focus for the brand and the business?

**DG:** The world around us is changing quickly, and if we want to continue growing our business, we need to anticipate and adapt to these changes. Sustainability is an important part of our business operations. We focus on innovation and creating efficiencies within our supply chain to add value for our stakeholders and consumers, while making a positive impact in all areas.

#### Looking back at Tommy Hilfiger's CSR program achievements, what are you most proud of?

**DG:** We are proud of the responsibility we are taking to preserve water resources in the areas where we produce. Through our ongoing strategies and partnership with the World Wide Fund for Nature ("WWF"), we are committed to taking a leadership role in this area and continuing to create positive impacts around the world.

#### How is Tommy Hilfiger engaging with associates to integrate sustainability into its core business?

**DG:** We use training sessions and internal marketing campaigns to ensure that all associates globally are aware of and take an active role in our CSR activities. The real change is not being made by just the management team, but through the efforts of our entire organization.

#### How will you build momentum on your Sustainable Evolution Strategy in 2015?

**DG:** We are excited to continue to roll out our Sustainable Evolution Strategy on a more global scale in 2015. We have established clear targets for our 10 commitments, and will work together within our global PVH organization to achieve success against these targets.

#### What does the future hold for Tommy Hilfiger's sustainability efforts?

**DG:** We believe this program will help us adapt to this quick-changing business environment and deliver added value to our consumers and stakeholders. With the power of our global teams working towards our 2020 targets, we look forward to achieving our goals.

### THE WAY WE CREATE OUR PRODUCT: CLASSIC COOL AND COMMITTED

Tommy Hilfiger aims to source 100% of our cotton sustainably. In 2014, we built on our partnership with the Better Cotton Initiative ("BCI") by sourcing 1.13 million pounds (514,000kg) of Better Cotton. BCI helps farmers grow cotton in a way that reduces the impact on the local environment and improves the livelihoods and welfare of farming communities. Tommy Hilfiger also worked with BCI to develop training and educational materials that are now being leveraged across the industry, and the team at Tommy Hilfiger trained more than 300 partners, including vendors, buying offices, and internal divisions on Better Cotton principles in 2014.

Taking an active role in water stewardship is also central to Tommy Hilfiger's 2020 sustainability ambitions. Working with suppliers and other key stakeholders, the business focuses on locations where it has the greatest opportunity to reduce its impact on high risk river basins,

such as the Yangtze in China. Following a water risk analysis conducted in 2013, Tommy Hilfiger initiated its multi-year partnership with WWF, with the goal of promoting water stewardship projects in sourcing regions and improving water, energy, and chemical management practices across its supply chain.

### THE WAY WE OPERATE: LEAN AND CLEAN

Tommy Hilfiger is also looking to decrease greenhouse gas ("GHG") emissions across its operations by 20% by 2020. In 2014, we launched a GHG footprint project to establish a baseline across stores, warehouses, offices, showrooms, transportation of goods, and business travel, sourcing data from approximately 300 locations across 19 countries. We also continued to replace conventional light bulbs for LED bulbs in North American and European retail stores. Another 2014 launch was our Sustainable Stores Program to reduce the environmental impact of retail stores in Europe through a baseline study of

retail product waste and a commitment to converting store furnishings to FSC-certified wood in Europe. In addition, the majority of energy purchased for offices, stores, several warehouses, and the showroom in The Netherlands is now green due to an energy consolidation project with a sustainable energy provider, and the launch of a new digital showroom that is expected to save carbon and waste by streamlining distribution and reducing sample production.

Minimizing packaging waste across our supply chain is another key target for 2020. Our goal is to reduce carton-based packaging by 25% and plastic packaging by 25%, sourcing the remainder of each from more sustainable materials. Finally, we plan to recycle 100% of office, store, and warehouse waste, starting with our facilities in North America and Europe.

### THE WAY WE CONNECT: POSITIVE AND INCLUSIVE

Like all of PVH's branded businesses, Tommy Hilfiger is committed to sourcing

products from factories that uphold and support workers' rights. As part of the PVH CSR program, we actively work to embed the PVH "A Shared Commitment" code of conduct into our sourcing operations by regularly engaging with and training suppliers and business associates.

Tommy Hilfiger also contributes to local communities through the philanthropic and volunteering activities of the TommyCares program, which complements PVH's Global Community Relations efforts. In 2014, TommyCares donated more than \$1 million to global charitable causes, including War Child, The Juvenile Diabetes Research Foundation, Autism Speaks, WWF, and PVH's global charitable partner, Save the Children. This year, associates in Amsterdam hosted their annual day of beauty and styling for female victims of domestic violence, while in New York, associates sponsored an annual teen holiday party for 70 youth from local homeless shelters.

"Becoming a sustainable brand does not happen overnight. It is about evolution, not revolution. Success will be made by everyone in the entire organization as we start thinking out of the box and integrate sustainability into our day-to-day activities."

— Esther Verburg —  
Vice President, CSR, Tommy Hilfiger



**THE WAY WE CREATE OUR PRODUCT: CLASSIC COOL AND COMMITTED**

1. Use 100% sustainable cotton
2. Take an active water stewardship role
3. Produce in facilities where water, energy and chemicals are properly managed

**THE WAY WE OPERATE: CLEAN AND LEAN**

4. Decrease greenhouse gas emissions
5. Reduce carton based packaging
6. Reduce plastic based packaging
7. Recycle store, warehouse and office waste

**THE WAY WE CONNECT: POSITIVE AND INCLUSIVE**

8. Source 100% of our products at facilities that uphold workers' rights
9. Empower and inspire the unique talent across all levels of our company
10. Help build healthy communities

— 3

# SOURCE & MAKE

Transforming raw materials  
into finished garments



Our businesses make high quality products in line with our values. With a supply chain comprising more than 700,000 individuals in 65 countries around the world, we recognize our responsibility to protect and improve workers' rights. Because of our global footprint, we also strive to use natural resources more efficiently. In 2014, we enhanced our human rights program to reflect recent corporate growth as well as learnings from the 20-plus years of our program's existence. We continued to support important industry collaborations including the Bangladesh Accord on Fire and Building Safety. And we convened a global cross-functional taskforce across the PVH organization to reduce harmful chemicals from our supply chain. We also support women and children in areas from which we source. Through these efforts, we aim to create more positive outcomes for people, the environment, and communities where we source.



## SOURCE & MAKE: EMPOWERING PEOPLE

### EVOLVING OUR HUMAN RIGHTS PROGRAM

PVH has been committed to upholding the human rights of workers in our supply chain for over 20 years. With more than 700,000 workers affected by our global operations, we strive to improve worker livelihoods through our engagement with factories. We do so while upgrading our program to align with a global factory footprint that has expanded significantly over the past few years to include over 2,000 direct and licensee factories.

#### ROLLING OUT ROBUST PROGRAM IMPROVEMENTS

In 2014, we transformed the way we work on human rights issues to deepen our impact. We strengthened our CSR factory monitoring program to help suppliers identify issues before they become problematic. We developed a more comprehensive set of policies, tools, and guidelines to bring consistency and rigor to the way we source products.

In particular, we:

- Created eight standard operating procedures ("SOPs") that provide guidance on CSR factory assessments – clarifying factory authorization processes and addressing violations that go beyond our code of conduct.
- Incorporated factory fire and structural safety considerations into our monitoring program, informed by the Accord on Fire and Building Safety in Bangladesh ("the Accord").
- Introduced a new assessment tool and rating system to increase consistency and objectivity in our monitoring program.
- Produced supplier and assessor guidelines featuring step-by-step details and best practices for complying with PVH's code of conduct.

We will build on the foundation established in 2014 by evolving our new SOPs and formalizing our remediation and capacity building activities.

### A SHARED COMMITMENT PVH'S CODE OF CONDUCT

Adherence of our code of conduct is a prerequisite for all of our business partners and applies equally to their business partners in our supply chain. The code requires:

<b>Employment relationships that respect and safeguard their legal rights</b>	<b>Freedom of association for all workers</b>
<b>No discrimination of any kind</b>	<b>No harassment or abuse</b>
<b>No child labor</b>	<b>No forced labor</b>
<b>Safe and healthy workplaces</b>	<b>Fair compensation and benefits</b>
<b>Hours of work to be within legal limits</b>	<b>Compliance with all environmental laws</b>



## PROMOTING OPEN AND TRANSPARENT DIALOGUE

Regular, open communication with supply chain partners and workers is always critical, but it was even more important this year given our recent program enhancements.

In 2014, we met with more than 2,800 key sourcing partners, suppliers and PVH associates in seven countries to introduce program updates. Through over 40 meetings, we reinforced our commitment to collaboration and transparent communication with each of our partners. As part of our program, regional CSR teams maintain close contact with suppliers throughout the year to keep open communication and drive forward our efforts.

## MONITORING OUR FACTORY BASE

We assessed 573 factories in 2014, not including our licensees or factories in Brazil. We evaluate factories with ratings based on a traffic light-like, color-coded system. The rating then becomes a factor in sourcing decision making. In 2014, we rolled-out an updated assessment tool and rating system to drive more objectivity and consistency in our assessment program and to encourage factories to assume greater responsibility for their labor practices, as well as reward successful factories with continued business.

We are proud to report that over 70% of our direct factories have green or yellow ratings.<sup>1</sup> This may be attributed to our success in remediating over 85% of non-compliances against our code of conduct.<sup>2</sup> We continuously work with factories to resolve issues that remain open and use follow-up assessments to ensure non-compliances are addressed in a timely manner. For certain endemic matters, such as working hours, we are taking varied approaches, including partnership with our key multi-stakeholder initiatives and fostering more open dialogue with our suppliers and sourcing partners.

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“Thanks for taking the time to really explain your expectations. I’m really excited about PVH showing this openness and supportive approach so that we can try to meet your expectations.”

— External Training Attendee —  
Latin America

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<sup>1</sup> This figure does not include our Brazilian factories.

<sup>2</sup> The data provided applies to audit findings in Q1 2014 and reflects whether the issue was remediated for 42 factories in 2014. While this is a sample of our data, it is representative of the types of industry issues we face every day and we are committed to working on.



### GOING BEYOND FACTORY ASSESSMENTS

In our work with factories, we aim to empower workers to voice concerns, and we encourage them to raise potential labor violations by speaking with factory managers, contacting us directly, or through the assessment process. In 2014, we received 15 formal grievances<sup>3</sup> from workers.<sup>4</sup> We directly resolved approximately half of the grievances reported, with certain issues such as working hours requiring more time and partnership to resolve. We are committed to a continuous improvement model to address outstanding matters.

In particular, we made progress on remediating issues concerning transparency (76% of cases resolved in 2014) and freedom of association (100% of cases resolved in 2014). This may be attributable to our strengthening partnership with organizations such as Better Work, an organization that works to improve garment workers' lives, and the Fair Labor Association, a collaborative effort dedicated to protecting workers' rights, and efforts to encourage ongoing dialogue between managers and workers.

<sup>3</sup> A grievance is defined as a complaint regarding an employer's labor practices made by a factory worker.

<sup>4</sup> This figure is based on a sample from one quarter of 2014.

### CSR IN ACTION



### PARTNERING WITH SUPPLIERS IN CHINA TO EMPOWER WORKERS

We work in partnership with our suppliers to help them develop the knowledge and skills they need to protect workers' rights, provide safe working conditions, and boost productivity. In 2014, we ran pilot workshops with two key suppliers in China on improving grievance procedures. This marks the beginning of our increased efforts around remediation.

Twenty factory managers, supervisors and workers participated in the interactive sessions, which helped attendees better understand the effect on productivity of an unstable workforce caused by issues such as high staff turnover, absenteeism, ineffective grievance procedures, and inadequate childcare. We also shared best practices, like creating a buddy system for new workers to help them become more acclimated to the factory environment.

All participants responded positively, noting that they valued our approach to help facilitate factory improvements in addition to the factory assessment process. We have remained in close contact to understand how factories are applying this knowledge to their daily management.

# GLOBAL FACTORY FOOTPRINT



## A NORTH AMERICA

Country	No of factories
Canada	4
Dominican Republic	14
Haiti	6
United States	10

## B SOUTH & CENTRAL AMERICA

Country	No of factories
Argentina	1
Brazil	391
Colombia	4
El Salvador	3
Guatemala	12
Honduras	2
Mexico	12
Nicaragua	3
Panama	2
Peru	8
Uruguay	2
Venezuela	1

## C EUROPE

Country	No of factories
Austria	1
Belgium	2
Bosnia & Herzegovina	3
Bulgaria	7
France	3
Germany	5
Hungary	2
Italy	61
Moldova	1
Netherlands	1
Poland	2
Portugal	38
Romania	10
Serbia	2
Slovakia	2
Spain	2
Switzerland	6
Turkey	40
Ukraine	1
United Kingdom	5

## D MIDDLE EAST

Country	No of factories
Bahrain	1
Israel	1
Jordan	5

## E AFRICA

Country	No of factories
Egypt	9
Ethiopia	1
Kenya	4
Lesotho	1
Mauritius	10
Morocco	3
Swaziland	1
Tunisia	37
Zimbabwe	1

## F ASIA

Country	No of factories
Bangladesh	72
Cambodia	19
China	752
Hong Kong	2
India	167
Indonesia	47
Japan	36
Laos	3
Macedonia	6
Malaysia	3
Pakistan	14
Philippines	10
South Korea	16
Sri Lanka	42
Taiwan	14
Thailand	23
Vietnam	104

## DAY IN THE LIFE OF A CSR ASSESSOR

We accompanied two CSR assessors, Sharon Qian and Debbie Zhang, on a recent assessment of a key supplier in China. In every assessment, we aim to be transparent about our process and expectations. We establish trust by taking a partnership approach to identifying and resolving issues, working closely with suppliers to identify underlying issues and address them. We are increasingly expanding our capacity building and remediation activities to give factories further support in developing and implementing effective corrective action plans.

So how does a day in the life of a PVH CSR assessor unfold?



### SHARING OUR EXPECTATIONS

Sharon and Debbie hold an open discussion with factory management, explaining what managers can expect from the assessment and outlining our key human rights policies. They give the managers an opportunity to ask questions, emphasizing confidentiality and our commitment to partnership.



### REVIEWING DOCUMENTS

Our assessors study the factory's paperwork carefully, seeking additional documents where necessary. They look for evidence that workers are being treated fairly, checking that hours are recorded correctly and verifying proper pay for time worked.



### TOURING THE FACTORY

Sharon and Debbie take a comprehensive tour of all factory buildings, accompanied by factory managers. They check everything on premises from the sewing section and dye houses to shared spaces like dormitories and lunch rooms, looking for clear evidence of compliance with our health and safety standards. They photograph any violations and speak to the manager and workers to determine the underlying cause for issues.



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“It is great that PVH meets with factories to explain their policies. They ask factory managers for their opinions, and we have the opportunity to give feedback.”

– Cao Yan –  
Factory Representative

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## INTERVIEWING WORKERS

During the factory tour, Sharon and Debbie approach factory workers at random and ask them to share their views – in confidence – to evaluate whether worker experiences reflect our findings and discussions with factory managers.



## AGREEING NEXT STEPS

At the end of the assessment, Sharon and Debbie share their findings with factory managers and together, they review any violations. Our assessors encourage a candid discussion about root causes and make suggestions on how best to address any issues. The assessors and managers then jointly develop a corrective action plan to solidify next steps.

## FACTORY FIRE AND BUILDING SAFETY

PVH continues to work toward a safer and healthier ready-made garment industry in Bangladesh through involvement in the Accord on Fire and Building Safety in Bangladesh (the "Accord"), a ground breaking initiative through which brand owners, retailers, international unions, and factory worker representatives are collaborating to prevent fires, electrical dangers, and building structural failures.

PVH was one of the first brand owners to commit to the Accord in May 2013. The collective effort now unites over 190 global brand owners and retailers with trade unions, and a number of

accomplishments reflect the group's positive impact. As of July 2015, Accord inspectors audited 1,300 factories, investigating important electrical, fire, and building criteria and advising factory owners on how they can raise safety levels.

PVH's Chief Risk Officer, Melanie Steiner, is actively involved in the Accord and is undertaking her second two-year term on the Accord Steering Committee.

Building on our experience with the Accord, we plan to expand our fire and building safety work into other production countries by holding fire and building safety trainings for suppliers.

In 2015, we will work in partnership with the Accord as it tackles its next big challenge: monitoring factories' progress on making safety improvements. As suppliers act on recommended improvements, we will eventually create a safer environment for garment workers and a more sustainable garment industry in Bangladesh.

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**"Training our suppliers helps them establish a culture of fire safety in their workplaces. This allows all workers to share a common set of knowledge, attitudes, perceptions, and beliefs about workplace fire safety."**

— Barry Law —  
CSR Compliance Supervisor and  
Fire Safety Facilitator, Hong Kong

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## Q&A WITH ROB WAYSS, EXECUTIVE DIRECTOR OF THE BANGLADESH ACCORD ON FIRE AND BUILDING SAFETY



### **What is your view on the progress made by the Accord in 2014?**

**RW:** It was substantial and unprecedented. The commitment to factory safety by global companies, suppliers, industrial associations, the Government of Bangladesh, workers and unions advanced considerably in 2014.

### **Are there any highlights you would like to mention?**

**RW:** The Accord has taken a leadership position on factory inspections, with 1,300 factories inspected as of July 2015. We have taken definitive steps to increase transparency by publishing the results of every factory on the Accord website. We are also collaborating with the Alliance for Bangladesh Worker Safety (a separate group of North American companies addressing the fire and building safety issue in Bangladesh) to begin remediation efforts in some 275 shared factories.

We have undertaken extensive education programs throughout 2014 to help all our

partners – company signatories, factory representatives and some 6,000 trade union members – understand their responsibilities and mutual commitments. We are sharing our experiences and methods with important stakeholders, including the Government of Bangladesh, to help improve policy on factory safety.

### **How have garment workers' lives been improved by the Accord's activities?**

**RW:** Factories are safer now than they were a year ago. While much more work needs to be done, the safety of workers in the inspected factories has improved. Workers are also more frequently raising safety concerns and in some cases, filing safety complaints with the Accord, which we investigate and resolve in a collaborative manner.

### **Are you happy with this level of progress?**

**RW:** We are proud of what has been accomplished this year. However, there is still a lot of work to do. We are working hard to accelerate the pace of remediation activities. This is

a monumental task that the Accord is earnestly approaching. Our team on the ground is now 100-strong and growing, and our engineers and factory case handlers are becoming increasingly efficient.

### **What are your goals for the future and how will the participation of PVH and the other companies in the Accord help you to achieve them?**

**RW:** In addition to inspections and remediation work, we will intensify our efforts to establish Occupational Safety and Health committees at Accord supplier factories. Involving workers and factory managers in building systems is vital to keeping factories safe. The continued support of PVH and all company signatories – particularly in terms of engaging with suppliers – is vital to the success of the Accord. We will continue to work with all parties to create and maintain a safe working environment for garment workers in Bangladesh.

## COLLABORATIVE INITIATIVE SPOTLIGHT



Working in partnership is central to the way we do business. Our sourcing teams collaborate internally and with organizations and apparel companies globally to understand and address regional issues. The list below represents a sampling of the organizations with which we are involved.

### **FAIR LABOR ASSOCIATION ("FLA"), WORLDWIDE**

We strengthened our partnership with the FLA by contributing funds and participants to the organization's Fire Safety Initiative, which aims to create a culture of fire safety in factories by empowering workers to reduce fire risks and prevent injuries. FLA continues to assess a sample of our factories against its Code of Conduct and Compliance Benchmarks and post those reports and corrective action plans on its website. We will continue to consult with the FLA to maintain our CSR program's alignment with their comprehensive standards of fair labor and responsible sourcing.

### **BETTER WORK, WORLDWIDE**

We are expanding our relationship with Better Work, a program of the International Labor Organization ("ILO") and International Finance Corporation ("IFC") that aims to improve worker livelihoods. As of 2014, we had programs running in Vietnam, Indonesia, Cambodia, Haiti, Nicaragua, Jordan, and Lesotho, with plans to expand enrollment. We are streamlining the assessment process for eligible suppliers by incorporating Better Work evaluations into our rating system and supporting Better Work's remediation process.

### **BRANDS ETHICAL WORKING GROUP ("BEWG"), INDIA**

The BEWG unites apparel companies and retailers in India to address sector-specific CSR challenges, with the aim of adopting consistent

approaches. PVH participates in the BEWG Environmental Working Group, which focuses on water stewardship and chemical management issues. In 2014, this group conducted a rainwater harvesting study as part of its efforts to encourage factories to adopt the practice. PVH also participates in the Fire Safety Working Group, which works to support companies and their suppliers in understanding and implementing fire safety regulations in garment factories.

### **INDONESIA BRANDS FORUM ("IBF"), INDONESIA**

We meet annually with social compliance practitioners across Indonesia's apparel and footwear industry to share knowledge, exchange best practices, provide updates on developments in social compliance, and help factories comply with relevant legislation.

### **MAQUILA SOLIDARITY NETWORK ("MSN"), MEXICO**

We participate in the MSN's Mexico Committee, a partnership of apparel companies, retailers, and apparel factories that meet regularly to discuss how best to uphold workers' rights.

### **APPAREL & FOOTWEAR BRANDS COLLABORATION FORUM ("AFBCF"), HONG KONG**

The AFBCF is an important regional platform to share CSR news and collaborate with apparel companies on issues including human rights, capacity building, and chemical management. We co-hosted the AFBCF event twice in 2014.

### **RETAIL BRANDS GROUP, BRAZIL**

This collaborative initiative meets four to five times a year in São Paulo, Brazil to encourage knowledge sharing across its 10 retail members. Topics addressed include unauthorized subcontracting, liability of customers to factory workers, and continuous improvement in factories.



# A Vital Partnership

Q&A WITH

**MARK GREEN**

Executive Vice President,  
Global Supply Chain  
&

**MARISSA PAGNANI**

Vice President, Corporate  
Social Responsibility

**The partnership between PVH's Global Sourcing and CSR teams enables the company to effectively address human rights and environmental sustainability challenges and opportunities. Mark Green, Executive Vice President, Global Supply Chain, and Marissa Pagnani, Vice President, CSR, discuss their teams' joint approach to these issues and the benefits of their close collaboration.**

**What are the key social and environmental challenges for PVH's global supply chain? Where do you see the most opportunity to deepen your impact?**

**Mark Green (MG):** Some of the big agenda items are managing waste and eliminating harmful chemicals. We also believe that having a lean manufacturing culture allows factories to reduce waste and drive efficiency, which in turn has social and economic benefits.

I celebrate the Accord for Fire and Building Safety in Bangladesh and the Alliance for Bangladesh Worker Safety as the first time our industry has come together to agree on a common set of standards for social compliance. The work

that Melanie [Steiner], on behalf of PVH, has helped to achieve through the Accord is game-changing. It has created a model for other countries to follow.

**How have you strengthened your relationships with suppliers in 2014? What was the value of partnering to hold 40 face-to-face meetings with key suppliers and how did suppliers respond?**

**Marissa Pagnani (MP):** In 2014, we worked closely with our sourcing teams to share our updated human rights policies and guidelines with key suppliers. Having their support and buy-in was very important. It meant we could go to suppliers with one voice. We really set out to emphasize our partnership principle. Instead of showing up and seeing what is wrong, we want to collaborate with suppliers to maximize our impact and get the best results for everyone.

**What has the CSR team learned through its partnership with Global Sourcing this year? How will you build on the partnership in 2015?**

**MP:** Mark set up a great opportunity for us to visit lean, meaning more efficient, and

green factories in Sri Lanka. It is one thing to hear about rapid replenishment and planning in theory, and another to see the production lines being reset and workers learning new skills.

**MG:** In 2015, we hope to take a leading role in shaping the development of the apparel industry in East Africa. We want to help establish this region as best-in-class. We will take all the lessons we have learned to create a green, sustainable, socially compliant industry with safe buildings and lean manufacturing.

**Could you describe the ongoing value to the business of your collaboration with CSR? Why does CSR remain central to the Global Sourcing team's operations?**

**MG:** We believe in making a difference, in doing things the right way, in giving back to the community and respecting individual stakeholders across the supply chain. We want to create value for the company and contribute positively to society at the same time.

**MP:** This goes back to our Source to Store approach. We recognize the people in our supply chain as an extension of our associate base. We

want to treat them with the same respect and values. That is simply the right way to do business.

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**"In 2014, we worked closely with our sourcing teams to share our new human rights policies and guidelines with key suppliers."**

– Marissa Pagnani –  
Vice President, Corporate Social Responsibility

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## SOURCE & MAKE: PRESERVING THE ENVIRONMENT

### ENVIRONMENTAL INITIATIVES IN THE WORKS

In 2014, we took important steps to develop a company-wide environmental strategy to preserve natural resources within our supply chain and expanded the use of more sustainable materials. We extended our carbon footprint baseline assessment and expanded efforts to understand supply chain operations beyond cut and sew to address issues like chemicals management and animal welfare.

#### NOTABLE DEVELOPMENTS THROUGH COLLABORATION

PVH engages in a number of industry initiatives to mitigate our environmental impacts in line with industry best

practices, as well as to support the development of sector-wide solutions. Our current efforts will guide our long-term strategy development. They also provide a greater understanding of environmental challenges and opportunities beyond the cut and sew stage of our supply chain.

In 2014, PVH and the Tommy Hilfiger division piloted the Sustainable Apparel Coalition's ("SAC") Higg Index, a self-assessment tool that helps apparel and footwear brands measure their social and environmental impacts. This exercise provided a better understanding of our impacts and prepared us to pilot the tool with suppliers.



**OVER 38 MILLION**

PVH dress shirts produced in 2014 were OEKO-TEX® Standard 100 certified. This certification is awarded to garments produced in accordance with strict chemical guidelines.

PVH is also participating in two working groups of the Textile Exchange, a non-profit organization working to harmonize industry approaches to sustainable materials. We are participating in the Responsible Down Standard, which has created a certification that allows companies to verify that the down in their products comes from ethically treated geese, and the International Working Group of the Responsible Wool Standard, which is developing a standard for the wool production process.

#### **TOMMY HILFIGER PROGRESSING ON SUSTAINABLE MATERIALS**

Tommy Hilfiger increased its use of sustainable materials in 2014, including organic cotton, recycled cotton, and *Tencel* in European collections. In the fall, Tommy Hilfiger exceeded its targets for sustainable materials in its European product lines by 20.67%, which is equivalent to 1,704,499 garments.

Tommy Hilfiger has also committed to the Better Cotton Initiative ("BCI") to make cotton production better for the people who produce it, the environment it grows in, and the sector's future. In 2014, the Tommy Hilfiger team took steps toward its goal to use 100% more sustainable cotton by 2020 by joining the Better Cotton Fast Track Program and by providing training to over 300 stakeholders on the BCI program to help support the uptake of Better Cotton in the supply chain. Overall, in its first year of sourcing Better Cotton, Tommy Hilfiger claimed approximately 1.13 million pounds (514,000kg) of Better Cotton in 2014. The Tommy Hilfiger team aims to triple this in 2015 by continuing to work with suppliers and buying offices on sourcing more Better Cotton. In addition, Tommy Hilfiger worked with sustainable fashion consultant Made-By to create BCI training materials that are now used industry-wide to help brands and supply chain partners navigate through the program.

Working in partnership with Solidaridad's Better Mill Initiative, which aims to improve textile wet processing in China, Tommy Hilfiger is running a pilot program with a fabric mill to cut water use and reduce harmful chemicals. Divisions in Tommy Hilfiger Europe are also exploring lower impact finishing techniques for denim products, such as ozone and dry stonewashing. In addition, Tommy Hilfiger joined the Leather Working Group, a multi-stakeholder initiative working to create a global standard for sustainable leather.

#### **LOOKING TO THE FUTURE**

In 2015, PVH and its businesses will continue to work on taking our environmental sustainability to the next level and pilot approaches to water stewardship, sustainable materials, and related environmental initiatives. We will also engage our business divisions and sourcing teams to develop a company-wide animal welfare policy.



## CHEMICAL MANAGEMENT

We launched our Chemical Management Commitment and Action Plan and company-wide Restricted Substances List ("RSL") in 2013, and took action to implement the plan in 2014. By developing processes, setting up systems, collecting data, and engaging with key stakeholders, we created a strong foundation to better understand and manage our chemical footprint go forward.

Creating a cross-functional, multi-business internal task force was a critical step in this process. The task force consists of over 80 associates who are working to harmonize our approach to chemical management across all branded business divisions and regions. This included monthly seminars on industry best practices. We also provided this group with additional guidance to help them communicate program objectives to suppliers.

In 2014, we increased our focus on training and engagement around chemical management with suppliers. In line with our goal to train at least 50% of our suppliers on chemicals by 2015, we incorporated an overview of chemical management

initiatives into our global CSR roadshow, reaching more than 2,800 key stakeholders in seven countries. We have also expanded the scope of our supplier factory assessments to encompass questions on restricted substances.

Finally, we continued to engage with the Zero Discharge of Hazardous Chemicals ("ZDHC") program, a collaboration of major apparel and footwear companies dedicated to eliminating the use of harmful chemicals by 2020. PVH co-led the development of an environmental audit tool in 2013, which was rolled out by ZDHC to members in 2014. Additionally, we aided in the development of global

chemical training to help suppliers, and we are helping establish ZDHC as a legal entity, including the appointment of an Executive Director to drive the program's activities forward. We are also working with the Apparel and Footwear International RSL Management group ("AFIRM") to encourage consistent chemical management practices across our industry and streamline changes suppliers will need to make.

In 2015, we will update a more user-friendly RSL and continue to implement our Chemical Action Plan by rolling out a global training program for our design, sourcing, quality, raw materials, merchandising, and product development teams.

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**"Collaborating across the global PVH community on a major environmental issue was a first for PVH and created a model for integrating CSR into the business."**

— Akiko Inui —  
Group Vice President — Raw Materials, Global Supply Chain

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## SOURCE & MAKE: SUPPORTING COMMUNITIES

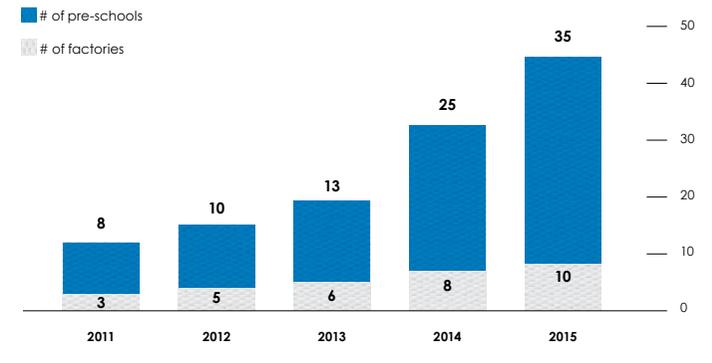
### GLOBAL SOURCING COMMUNITIES OUTREACH

We are committed to improving lives in the communities where we operate. With support from The PVH Foundation, PVH undertakes philanthropic initiatives in countries including Bangladesh, China, India, Sri Lanka, Hong Kong, and Indonesia. Below is a sampling of projects we supported in 2014.

#### PROVIDING PARENTING RESOURCES AND CHILDCARE IN BANGLADESH FACTORY COMMUNITIES

We continue to support the children of garment workers in Bangladesh. To date, we have helped open 25 community-based pre-schools, serving 740 children in eight factory communities across Bangladesh. This program is operated in partnership with Save the Children and various PVH suppliers.

PRE-SCHOOLS OPENED IN BANGLADESH FACTORY COMMUNITIES



“Since opening the Parenting Resource Center to support workers with young children, we have noticed that workers’ motivation and productivity has increased. Staff turnover rates have decreased, as workers appreciate this benefit and feel valued by their employer. Garment workers’ children are now looking forward to attending school and establishing a regular routine of learning.”

– Chowdhury –  
Compliance Manager

In 2014, we supported the opening of three parenting resource centers in factory communities in Dhaka. The centers provide information on parenting, health, and nutrition, as well as individual counseling and training to more than 1,200 parents. While their parents are learning, children can engage with educational materials in a safe environment.

In addition, PVH supported the opening of 12 additional Bangladesh factory community pre-schools in 2014. The schools provide young children with a safe learning environment while their parents are at work.

Save the Children provides teacher training support and educational materials, while suppliers help recruit teachers and provide the facility. More than 60% of attendees are the children of garment workers, with the rest coming from the community surrounding the factory.

In 2015, we plan to strengthen our collaboration by opening an additional eight schools. We will also offer more PVH associates the opportunity to visit and volunteer at the schools.

**"I had nobody at home to take care of my baby. The Parenting Resource Center has helped me to spend more time with my child and learn how best to take care of her."**

— Rafiza —  
a garment worker and mother of a 17-month-old girl



Changing young lives — Hong Kong, China

We partnered with the Changing Young Lives Foundation in Hong Kong to help underprivileged children develop confidence and explore their talents through dance, sports, music, cooking, and trips to local museums. In 2014, we supported 140 children aged six to 14.



Supporting Shanghai Children's Home — Shanghai, China

PVH associates in Shanghai, China entertained 20 children from the Shanghai Children's Home during a day of games, singing, and music. We also donated items for the Home's orphans, including diapers, bottles, and clothing.



## SNAPSHOT OF SOURCING REGION COMMUNITY PROGRAMS



Empowering teenage mothers — Colombo, Sri Lanka

We helped to boost the confidence of teenage mothers living at the Ma Sevana shelter in Colombo, Sri Lanka. By supporting these mothers with educational workshops, we aim to help them develop the vital skills they need to become self-sufficient. Some 20 mothers took part in basic literacy, numeracy, and entrepreneurship activities.



Sharing holiday joy with children — Nairobi, Kenya

PVH's Global Supply Chain team in Nairobi, Kenya, threw a holiday party for the Thomas Barnados Orphanage in Langata. Some 30 children and their social workers joined us to celebrate the festive season.



Inspiring underprivileged children — Jakarta, Indonesia

Each month in 2014, PVH associates organized mentoring and volunteer activities for the Indonesian Street Children Organization ("ISCO"), which serves underprivileged children in Jakarta, Indonesia. Volunteer activities included entrepreneurship days, sports tournaments, and upgrading the ISCO center with a new toilet and redesigned classroom. In 2015, the Indonesia office plans to extend its support of ISCO by sponsoring education fees for 140 children between pre-school and junior high school.

# — 4 SELL & (RE)USE

Understanding the full story  
of a product's journey

Creating a garment is only the beginning. The products we make continue to generate social and environmental impacts throughout their lifecycles – from leaving the factory to being sold in stores for use and disposal by the consumer. By collaborating across our business and with industry peers, we strive to implement measures to reduce our impact at the Sell and (Re)use phases of a product's use. We also aspire to make a positive impact through our interface with wholesale customers and consumers to encourage more efficient product use.





## RESPONSIBLE BUSINESS: EMPOWERING PEOPLE

### RETAIL ASSOCIATE RECOGNITION AND TRAINING

Our people are our most important asset, both at corporate and in our warehouses and retail stores. We have a range of engagement and development programs designed specifically for these associates. By providing structured training and setting high expectations, we empower our retail and warehouse associates to exceed customer expectations and improve the efficiency of our stores and facilities.

#### INVESTING IN OUR RETAIL ASSOCIATES

In North America, we developed more than 40 training programs to help Van Heusen and Calvin Klein associates adapt to new positions within stores. We created a blended training experience, incorporating e-learning and tailored content to suit associates' experience and work environments, as well as rolled out programs through our network of high-performing Training Store Managers to provide more resources to advance their development.

In May 2014, the PVH Europe Retail Academy hosted 100 outlet Store Managers in

Stuttgart, Germany to discuss common challenges and identify innovative solutions. Participants left energized and ready to apply fresh ideas in their stores. Some 76% of attendees rated the event as "excellent."

In Asia, our new Calvin Klein retail and visual merchandising trainee programs graduated 17 associates who are now contributing to various areas of our business. The Calvin Klein retail team in Asia was also recognized for their performance with two customer service awards from the Hong Kong Retail Management Association. In Brazil, the focus in 2014 was on enhancing capabilities through training sessions on essential management skills.

#### STRIVING FOR EXCELLENCE

We aim to empower and develop retail associates by encouraging operational excellence. At the 2014 Calvin Klein North America Retail Conference, we introduced five key focus areas including sales planning, training and developing teams, achieving operational excellence, understanding customers, and creating a strong working culture. Importantly, we helped



store General Managers understand exactly how they could apply these goals in their daily work and held a training presentation on the importance of coaching versus managing in early 2015.

At the Tommy Hilfiger North America annual off-site retail meeting, we recognized top performing stores and associates. As part of the

gathering, we engaged an outside consultancy to provide training sessions on leading change, motivating others, and enhancing overall leadership skills. Retail associates stay engaged throughout the year via the *Tommy Times*, an internal newsletter that highlights community service activities, customer compliments, and store milestones.

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**"(The Retail Academy) helps to stimulate entrepreneurship and really motivates store managers."**

– PVH Europe Retail Academy Attendee –

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**"I have no doubt that these small efforts to make team members feel not only appreciated, but important, lead to their continued success and teams' involvement."**

– Antonio Colon –  
Tommy Hilfiger Retail Area Manager, Puerto Rico

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## CALVIN KLEIN HOME ARTISAN COLLECTION

Working with artisans is an important part of the *Calvin Klein Home* design ethos. In 2014, the division took its commitment one step further with the introduction of the *Calvin Klein Home Artisan Collection*, an exclusive range of hand-crafted products. Several skilled artisans were a part of this curated collection for online retailer One Kings Lane, which comprises everything from gold-rimmed glassware to alpaca throws. In addition to adding unique wares to the *Calvin Klein Home* offering, the line also offers emerging artisans the opportunity to collaborate

with Calvin Klein designers and gain access to new markets.

The line, launched by Amy Mellen, Creative Director for *Calvin Klein Home*, includes stunning wooden bowls made of maple, oak, walnut, and cherry wood by Scottish artisan Tom Hopkins-Gibson, as well as sophisticated porcelain dinnerware by British ceramicist Sue Paraskeva. It also features hand-blown glass vases and barware in mineral-inspired hues, designed in partnership with a local Brooklyn artisan, Andrew Hughes.



## Q&A WITH

# AMY MELLEN & ANDREW HUGHES

CREATIVE DIRECTOR,  
*CALVIN KLEIN HOME*

GLASSBLOWER AND ARTISAN  
COLLECTION PARTNER



**Q: When did Calvin Klein Home begin working with artisans and why?**

**Amy Mellen (AM):** Working with artists and craftsmen has always been important for *Calvin Klein Home*. The process is really fluid. We might meet at a design industry fair or discover them while scrolling through design sites. Something about the product might make me stop and look twice, and then we will work together to develop and create the right product for our store.

**Q: How does Calvin Klein Home partner with its artisans through the design process and how do the artisans benefit from the partnership?**

**AM:** We collaborate and work through the design process together – the final product

must be right for us and for the artists. Most artisans appreciate *Calvin Klein Home*, its aesthetic, and the exposure they will receive by working with us.

**Andrew Hughes (AH):** I was a little surprised at how validating it was to inform clients and peers of my involvement with *Calvin Klein Home* – it gave me instant credibility. With *Calvin Klein Home*, I have been able to explore new techniques in an effort to offer something unique, and it has deeply enriched and informed my own making process and products.

**Q: Andrew, what have you enjoyed most about working with Calvin Klein Home?**

**AH:** Amy and her team have been incredibly inclusive and encouraging of my input and knowledge. I feel like one of

the team. It's unlike any other professional relationship, the critical engagement and personal approach really set it apart.

**Q: Amy, how are you living the PVH values through this partnership?**

**AM:** Each value is integral to working with artisans or, truly, with any partner. Specifically, integrity – for the product; passion – to create; individuality – celebrating uniqueness; partnership – to collaborate on design; and accountability – to get final products to market.



## SELL & (RE)USE: PRESERVING THE ENVIRONMENT

### RETAIL AND DISTRIBUTION HIGHLIGHTS

We are increasingly looking at every aspect of our wholesale distribution and retail operations, including the way we package and sell items. We try to be responsive to our wholesale customers and partner with them to produce greater impact.

#### GREENER CORPORATE PURCHASING HABITS

Our Corporate Purchasing division works with retail stores to encourage environmentally friendly practices and purchasing habits. Their efforts have resulted in cash register rolls that are Forest Stewardship Council certified and cleaning supplies made from more natural ingredients. In addition, PVH reduced the carbon footprint of its passenger vehicle fleet by nearly 10% (.65 MT on average per vehicle) in 2014. This marks PVH's sixth consecutive year of corporate fleet carbon reductions in the U.S. Since 2008, PVH has reduced the average carbon footprint per vehicle by over 50%, for a total reduction of 6.1 tons.



#### SPEEDO SAVES NATURAL RESOURCES WITH STREAMLINED HANGERS

The Speedo USA team collaborated with a key wholesale customer to replace its traditional plastic body form hangers with a more streamlined version. Together, we developed a new hanger for girls' one- and two-piece swimsuits that minimizes packaging waste to reduce

overall environmental impact while reducing cost. The innovative new "hanger-less" hanger will be rolled out in 2015 and is expected to save 7,332 pounds of plastic per year. In addition, Speedo USA developed a new master poly bag method for its woven shorts that will reduce overall cost and is expected to save 1,633 pounds of plastic per year.

#### ECO-FRIENDLIER SHOPPING BAGS AT RETAIL STORES

We are increasing the recycled content and recyclability of our shopping bags across brands. In 2014, all shopping bags in North America retail stores were made from materials that can be recycled. We are also looking to make our bags more environmentally friendly. To do so, our Heritage Brand retail stores increased the recycled content of their shopping bags from 20% to 100%. Tommy Hilfiger North America retail used a 40% post-consumer waste bag, and Calvin Klein retail is looking to follow suit in 2015.

#### OLD HANGER



#### NEW HANGER





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**“We are now running more energy efficient stores – we have lower utility bills, better, brighter lighting, and a lower carbon footprint all around.”**

– Gretchen Keller –  
Senior Project Manager, Store Design and Construction,  
Tommy Hilfiger North America

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#### **TOMMY HILFIGER INNOVATING WITH DIGITAL SHOWROOM AND ENERGY-EFFICIENT LIGHTING**

When retail buyers are exploring new collections, industry practice is for them to view physical samples. Now, Tommy Hilfiger is streamlining the buying process through a new digital showroom that enables buyers to view every aspect of a garment in detail – from materials and sizes to unique design features. As customers adopt this new interactive buying approach, Tommy Hilfiger expects to decrease its carbon footprint through reductions in sample production and distribution.

Between 2013 and 2014, Tommy Hilfiger replaced approximately 80% of sales floor lighting in 168 North American retail stores with environmentally friendly LED track lighting. In addition to reducing carbon emissions, the project resulted in energy bill decreases of 18% in U.S. stores and 15% in Canadian stores. Tommy Hilfiger also converted 90 European retail stores to LED lighting in 2014, for a total of 149 European stores.

#### **PVH NECKWEAR CUTS CARDBOARD WASTE**

The PVH Neckwear team in Los Angeles continues to reduce cardboard packaging waste by efficiently recycling through the use of a baler in our warehouse. In 2014, we recycled nearly 370 tons of corrugated cardboard and sold the compacted cardboard to local recyclers. Similarly, we have automated the process of creating shipping boxes, which has cut our use of corrugated cardboard by up to 30% per carton. These efforts are part of wider waste management programs at PVH Neckwear.



CSR IN ACTION



#### **DESIGNING SHOWROOMS WITH END USE IN MIND**

Determined not to let good showroom materials go to waste, Calvin Klein's Vice President of Creative Services, Amanda Bupp, led an initiative to repurpose wood and Plexiglass – a shatter-resistant, lightweight alternative to glass – in the renovation of Calvin Klein's New York offices. Amanda set to work, meeting with the Calvin Klein facilities team to share her idea and seek their help to make it happen. Together, they arranged for 1,500 square feet of wood flooring to be transported to the scene of the office makeover, where it was transformed into flooring for the building's renovated lobbies. Amanda also worked with the facilities team to allocate 52 Plexiglass panels to existing showrooms. Looking forward, she plans to continue considering recycling and reuse at the start of new creative projects.



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**“If we think ahead, we can work with departments or organizations to use materials that can be recycled and reused in meaningful ways.”**

– Amanda Bupp –  
Vice President of Creative Services, Calvin Klein, Inc.

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## SELL & (RE)USE: SUPPORTING COMMUNITIES

### VAN HEUSEN ENGAGES CONSUMERS WITH **#GIVEASHIRT** SOCIAL MEDIA CAMPAIGN

Van Heusen's latest social media campaign engaged thousands of consumers in a competition to donate 10,000 dress shirts to Career Gear, a non-profit organization in the U.S. that helps economically disadvantaged men get back into the workplace by providing professional clothing, life skills, and mentoring. Van Heusen pledged to donate one dress shirt for every mention of the #GiveAShirt hashtag on its Facebook, Twitter, and Instagram channels during the eight-week campaign period. We encouraged consumers to get involved by offering participants the chance to enter a grand prize draw when they tagged a friend in their posts.

The #GiveAShirt campaign was supported by an extensive marketing campaign and prompted a lively social media conversation that generated 250 million media impressions and 80.6 million hashtag impressions. Ultimately, Van Heusen exceeded its goal of 10,000 #GiveAShirt hashtags and delivered over 12,000 shirts to Career Gear.

Career Gear, whose job readiness programs have so far served 35,000 men in the U.S., has already started sharing the Van Heusen shirts with men across the country. Wearing their smart new shirts to job interviews is set to improve their confidence and chances of employment.



**"This was truly a partnership that made an impact. Over Career Gear's 15-year history, the Van Heusen #GiveAShirt campaign was by far our most successful partnership – ever! We felt like we were part of the family."**

– Gary Field –  
Founder and Executive Director of Career Gear

## RETAIL GIVING HIGHLIGHTS

Every year, our retail associates give back to the communities where we work. In 2014, they volunteered and fundraised for worthy initiatives supporting the PVH mission to support women, children, and education, as well as local needs. For more information on product donations and our approach to PVH-wide philanthropy, read about our new Global Community Relations efforts.

### HELPING SPECIAL NEEDS CHILDREN UNLOCK THEIR POTENTIAL

For the past two years, Calvin Klein has supported a vocational track program at the School for Language and Communication Development ("SLCD") in Glen Cove, New York. SLCD helps pre-school and school-age children with severe language and autism disorders develop skills for communicating in today's world. The vocational track combines retail coursework with a Calvin Klein training program that gives older

students hands-on experience in various aspects of retail management.

In 2014, the Calvin Klein store in Deer Park, New York, began welcoming 16 students each semester for weekly sessions. Students followed the same training program as associates, covering topics like customer service, store presentation, and processing deliveries. Store managers educate students and evaluate their strengths in the same way that they train and review new associates. So far, the store has hired two students as sales associates.

### EMPOWERING SURVIVORS OF BREAST CANCER

In May 2014, our Olga Intimates team launched a year-long online donation campaign supporting My Hope Chest, a non-profit organization that helps fund reconstructive surgery for uninsured or under-insured survivors of breast cancer. As part of the campaign, PVH pledged to

match every customer donation dollar-for-dollar. PVH ultimately contributed \$48,000 to the charity during the year.

### ENCOURAGING EARLY CHILDHOOD EDUCATION THROUGH READING

Ninety-four Tommy Hilfiger North America retail stores collected more than 15,000 books during a regional book drive in its Southern and Eastern U.S. regions. The books were donated to The Children's Trust and the Center for Writing and Literature at Miami Dade College, where they will be used for a "Read to Learn" program that encourages parents to read with their children.



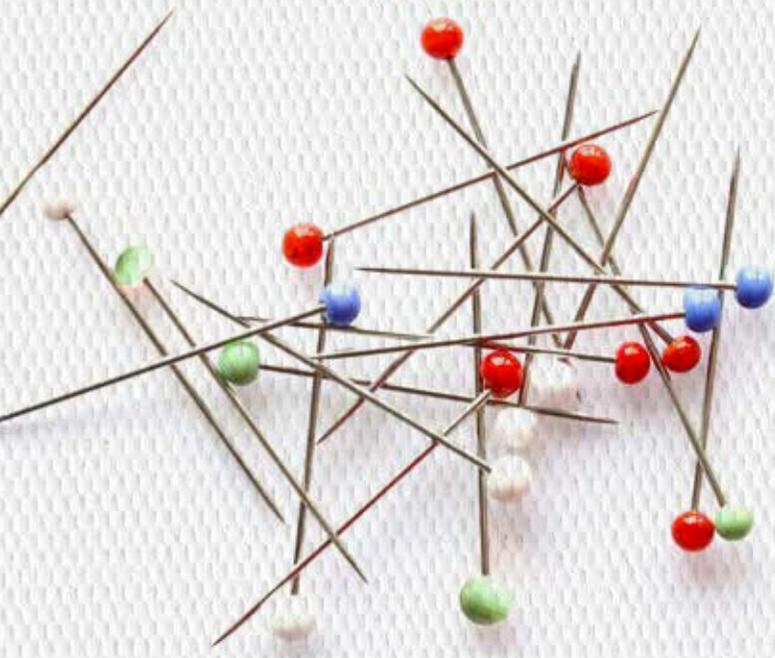
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"It is an amazing opportunity for the students to realize their potential through a hands-on experience. Helping them to master a task is not only rewarding for the student, but for us as well. We are very passionate about this program and look forward to its continued success."

– Angelica Wubbenhorst –  
General Manager, Calvin Klein, Deer Park, New York

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# — 5 PERFORMANCE SUMMARY



We measure our performance across three issue areas – empowering people, preserving the environment, and supporting communities – using a variety of key performance indicators (“KPIs”). As we develop our program, we are setting new goals, targets, and KPIs to help track the delivery of our work and the impact of it.

Our 2014 performance is summarized in the table below, with 2013 data provided for comparison, where appropriate. In preparing this report, we have been guided by the Global Reporting Initiative ("GRI")

G3 guidelines. The report meets GRI's level C requirements (self-assessed). Please see our GRI index online at [www.pvhcsr.com/csr2014/gri](http://www.pvhcsr.com/csr2014/gri).



## EMPOWERING PEOPLE

	<b>FY 2014</b>
<b>HUMAN RIGHTS<sup>1</sup></b>	
Number of Factories (Global) <sup>2</sup>	2,073
Number of Factories Assessed (Global)	573
Number of Grievances (Americas, SEA, SA) <sup>3</sup>	15
Number of Grievances Resolved (Americas, SEA, SA)	7
Percentage of green/yellow rated factories in PVH's supply chain <sup>4</sup>	70%
<b>PERCENTAGE OF ASSESSMENT FINDINGS REMEDIATED<sup>5</sup></b>	
Health and Safety	72%
Hours of Work	58%
Compensation	70%
Harassment and Abuse	100%
Transparency	76%
Environment Requirements	100%
Freedom of Association	100%
Legal Requirements	78%
Forced Labor	100%
Child Labor	100%
Non Discrimination	67%
Unauthorized Subcontracting	100%

<sup>1</sup> PVH does not compare human rights data year-over-year because there is no consistent overlap in the factory base that is used to assess non-compliances by category each year. An improvement rate is based on the data collected in Q1 of a calendar year versus data collected through a factory reassessment at the end of each calendar year.

<sup>2</sup> The number of factories reported in PVH's supply chain represents the number of tier 1 factories only.

<sup>3</sup> A grievance is defined as a complaint regarding an employer's labor practices made by a factory worker. This figure is based on a sample from one quarter of 2014.

<sup>4</sup> This figure does not include our Brazilian factories.

<sup>5</sup> The data provided applies to audit findings in Q1 2014 and reflects whether the issue was remediated for 42 factories in 2014. While this is a sample of our data, it is representative of the types of industry issues we face every day and we are committed to working on.



## EMPOWERING PEOPLE

	FY 2013	FY 2014
<b>ASSOCIATE TURNOVER (% TURNOVER)</b>		
U.S. Associate Turnover (total)	58.6%	54.1%
<b>U.S. Associate Turnover by type</b>		
U.S. Corporate offices, warehouses, wholesale	12.4%	21.4%
U.S. Retail and specialty (full-time)	32.1%	32%
U.S. Retail and specialty (part-time)	91.8%	78.3%
<b>ASSOCIATE BENEFITS (% PARTICIPATION)<sup>6</sup></b>		
Medical plan participation	77%	78%
401(k) plan participation	85%	87%
<b>DIVERSITY (% ASSOCIATES)<sup>7</sup></b>		
U.S. Associates – Male	36.4%	38%
U.S. Associates – Female	63.6%	62%
<b>Associates by ethnicity</b>		
U.S. Associates – White	55.2%	59%
U.S. Associates – Members of an ethnic minority	44.8%	41%

<sup>6</sup> This data is for full-time, U.S.-based associates.

<sup>7</sup> Data is for the U.S. workforce, excluding retail and temporary associates. Similar data is not available for non-U.S., associate populations, in part due to regulatory restrictions.



## EMPOWERING PEOPLE

FY 2014

### DIVERSITY BY EMPLOYMENT LEVEL (%)<sup>7</sup>

#### **Vice President (and above)**

Minority Female	6%
White Female	43%
Minority Male	6%
White Male	44%

#### **Director**

Minority Female	15%
White Female	45%
Minority Male	8%
White Male	32%

#### **Manager**

Minority Female	21%
White Female	44%
Minority Male	10%
White Male	25%

#### **Individual Contributor**

Minority Female	29%
White Female	34%
Minority Male	19%
White Male	18%

<sup>7</sup> Data is for the U.S. workforce, excluding retail and temporary associates. Similar data is not available for non-U.S., associate populations, in part due to regulatory restrictions.



## PRESERVING THE ENVIRONMENT

<sup>8</sup> The 2013 numbers and scope presented here have been updated to reflect the latest methodology from the Intergovernmental Panel on Climate Change for calculating fugitive emissions. Additional updates were based on newly available information, such as corrections from estimated to metered utility bills. The 2014 analysis included 944 facilities. The unit of measurement MT is a metric ton.

<sup>9</sup> U.S., Canada, The Netherlands, and Hong Kong.

<sup>10</sup> U.S., Canada, Guam, and Puerto Rico.

<sup>11</sup> U.S., Canada, and The Netherlands.

<sup>12</sup> U.S., Canada, and The Netherlands

<sup>13</sup> The unit of measurement MT is a metric ton.

<sup>14</sup> Scope 1 Emissions are direct greenhouse gas (GHG) emissions from fuel used.

<sup>15</sup> Scope 2 Emissions are indirect GHG emissions resulting from indirect energy purchased.

<sup>16</sup> The unit of measurement HCF is one hundred (100) cubic feet.

<sup>17</sup> U.S., and Canada, estimated usage.

<sup>18</sup> U.S., estimated usage.

<sup>19</sup> U.S., Canada, metered usage

<sup>20</sup> Increase is primarily from additional operations and employee count at Warehouses.

- Increase in Retail estimated water usage of 1.18%.

- Increase in Warehouse water usage of 29.3% attributable to increased production and employees.

- Change in estimated Office usage isn't statistically relevant therefore no change.

	FY 2013	FY 2014
<b>GREENHOUSE GAS EMISSIONS (MT/CO<sub>2</sub>e)<sup>8</sup></b>		
<b>Emissions Breakdown (MT/CO<sub>2</sub>e)</b>		
Offices <sup>9</sup>	5,379.49	6,147.94
Retail <sup>10</sup>	62,700.27	54,865.86
Warehouses <sup>11</sup>	21,925.88	24,715.11
Vehicles <sup>12</sup>	2,089.42	2,065.34
<b>Total</b>	<b>92,095.06</b>	<b>87,794.25</b>
<b>Emissions Summary (MT/CO<sub>2</sub>e)<sup>13</sup></b>		
Total Scope 1 emissions <sup>14</sup>		4,529.15
Total Scope 2 emissions <sup>15</sup>		83,265.10
<b>Total greenhouse gas emissions (Scope 1 + 2)</b>		<b>87,794.25</b>
<b>WATER USAGE IN HCF<sup>16</sup></b>		
Offices <sup>17</sup>	5,039.58	5,050.26
Retail <sup>18</sup>	15,084.67	15,261.95
Warehouse <sup>19</sup>	6,938.43	9,816.26
<b>Total</b>	<b>27,062.68</b>	<b>30,128.47<sup>20</sup></b>

For PVH owned and directly operated facilities assessed for this report:

- We currently report greenhouse gas emissions using a CO<sub>2</sub> equivalents (CO<sub>2</sub>e) that includes carbon dioxide and methane emissions.
- None of the facilities assessed for this report have on-site power generation that would result in NO<sub>x</sub>, SO<sub>x</sub>, or NMVOC emissions, as of publication date.
- We do not manufacture, process, or otherwise use materials/chemicals at the level that requires reporting of TRI emissions, as of publication date.



## PRESERVING THE ENVIRONMENT

	FY 2013 <sup>22</sup>	FY 2014 <sup>22</sup>
<b>WASTE AND RECYCLING IN MT<sup>21</sup></b>		
Composting	1.25	1.73
Recovery/Reuse <sup>23</sup>	2.92	3.96
Recycling	5,417.12	8,479.10
Incineration	331.67	232.80
Landfill	2,151.17	1,336.32
Waste to Energy/Biogas	95.24	13.14
E-Waste/Universal Waste	1.71	2.66
Deep well injection	N/A	N/A
On-site storage	N/A	N/A
Other	N/A	N/A
<b>Total Waste Generated (MT)<sup>24</sup></b>	<b>8,001.08</b>	<b>10,069.71</b>
<b>Total Amount Diverted (MT)<sup>25</sup></b>	<b>5,516.53</b>	<b>8,497.93</b>

	FY 2013	FY 2014
<b>RECYCLING AND WASTE DIVERSION STATISTICS</b>		
Total Diversion Rate	68.95%	84.39%
Total Recycling Rate	67.74%	84.24%
Increased Recycling Rate from 2013 to 2014		<b>56.52%</b>
Increased Diversion Rate from 2013 to 2014		<b>54.04%</b>
Increased amount of waste diverted from landfill from 2013 to 2014 (MT) <sup>21</sup>		<b>2,981.40</b>

<sup>21</sup> The unit of measurement MT is a metric ton.

<sup>22</sup> U.S., Hong Kong, and The Netherlands Offices, and U.S., and Canada Warehouses. This number excludes retail locations.

<sup>23</sup> Materials recovered for reuse or donation, primarily textiles.

<sup>24</sup> Total Waste Generated is the sum of all the waste and recycling categories.

<sup>25</sup> Amount diverted is the amount of waste kept out of landfill or incinerated (not for energy recovery) and includes materials composted, recovered/reused, recycled, and used for waste to energy/biogas.



## SUPPORTING COMMUNITIES

	FY 2013	FY 2014
<b>DONATIONS (USD \$000)</b>		
Financial	\$7,601	\$6,377
In-kind Donations	\$9,801	\$6,029
<b>FUNDRAISING (USD \$000)</b>		
Associate fundraising for PVH Cares	\$509	\$464
<b>Total</b>	<b>\$17,911</b>	<b>\$12,870</b>

#### PHOTO CREDITS

Many of the photographs in this report have been supplied thanks to PVH associates and external partners. A special thank you to the Better Cotton Initiative for supplying beautiful photographs of individuals working in the cotton farming sector (pages 38 and 39). Thanks also to Save the Children for the image of their childhood education program (page 23); Iftekher Ahmed, Manager, Raw Materials-Trim, PVH Far East Limited, who captured factory images in Bangladesh (pages 35 and 41); and Jessica Marati, Manager, Corporate Social Responsibility, who captured factory images in China (pages 28, 29, 30, 32, 33, 35 and 40).