



PVH UK 2022

Gender Pay Gap Report

PVH

CALVIN KLEIN TOMMY HILFINGER HERITAGE BRANDS

Introduction

At PVH, we are committed to providing an inclusive and diverse environment for all our Associates where they feel individually valued, supported, and inspired to develop to their full potential and bring their authentic selves to work. Our belief in the benefits of inclusion and diversity ensures our Associates thrive. When our people thrive, our business grows stronger.

Since our last report, we have restructured our UK business, combining several previously separate entities into a single UK-wide legal entity – PVH UK Group Ltd. As a result, our 2022 Gender Pay Gap (GPG) report covers PVH's UK business as a whole. This is the first time we have reported in this way. In the past, we have focused on two of our entities – Calvin Klein Stores UK Limited ("Calvin Klein") and Hilfiger Stores Limited ("Tommy Hilfiger") – as they both met the legal requirements for reporting of having more than 250 employees, when the others did not and were not subject to reporting requirements.

As a result of this realignment, we have seen a significant change in our results. This is primarily driven by the inclusion of our Office population within our reporting, which has a very different total rewards structure, including both salary and bonus structure, than our Retail businesses.

As a company, we are fully committed to taking the actions necessary to reduce our pay gap. By reporting on our UK business as a whole, we have an opportunity to ensure greater transparency and alignment across the business on where we

need to focus. This reflects two of our core values: Integrity and Accountability, which guide who we are as a company and inspire us in our everyday actions and decisions.

Inclusion and Diversity (I&D) continues to be crucial to who we are and how we operate. With our rich history as a global powerhouse in the fashion industry, we have a responsibility to be leaders in driving positive change. We are committed to addressing our Gender Pay Gap through a mix of I&D commitments and total reward policies and practices, ensuring that everyone at PVH is provided with a great place to work and the opportunity to develop themselves both personally and professionally.

In this report we explain our methodology, set out our 2022 results and showcase the actions and initiatives we are implementing to tackle our pay gaps.

We confirm the Gender Pay Gap calculations for PVH UK Group Ltd are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Signed by David Pyne, Senior Vice President, Managing Director, Northern Europe

Our brand

PVH is one of the world's largest and most admired fashion companies, connecting with consumers in over 40 countries. The Power of PVH is fuelled by our people and our iconic brands: Calvin Klein, TOMMY HILFIGER, Warner's, Olga by Warner's, and True&Co. From our humble start in 1881 mending and selling shirts for coal miners in Pottsville, Pennsylvania, PVH has become a global powerhouse in the fashion industry.

We are striving to be at the forefront of change and to be ambitious in our product development, bringing us closer to our customers and delivering the best-in-class products and service in line with our core values of Individuality, Partnership, Passion, Integrity and Accountability.

That's the Power of Us. That's the Power of PVH.

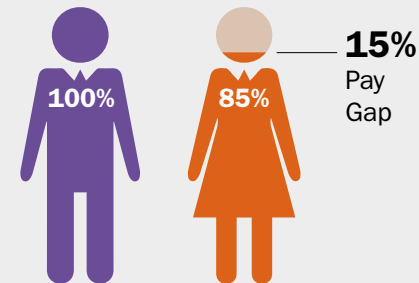


How we calculate our GPG

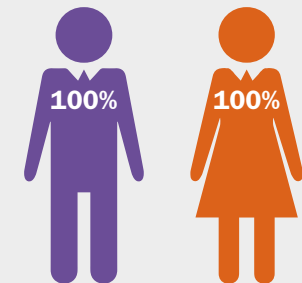
It is important to understand that the **Gender Pay Gap** is not the same as **Equal Pay**, and the two concepts should not be confused.

Footnote: *An equivalent hourly rate is calculated for all employees including not just basic pay but any relevant pay elements received in the pay period that the 5 April 2022 falls in. This helps to compare salaried and hourly workers as well as to assess the impact of allowances and bonuses. This is in line with the legislation.

Explaining the Gender Pay Gap



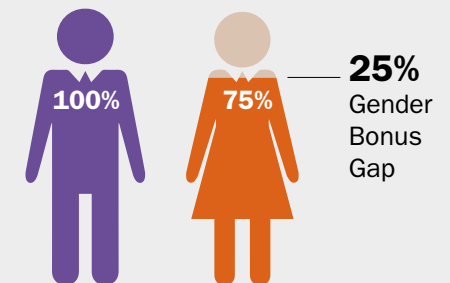
The **Gender Pay Gap** measures the difference between the earnings of women and men across the company, regardless of the work they do. This is expressed in mean and median earnings, based on equivalent hourly rates*, and is shown as a percentage of men's earnings. This includes base pay, allowances and any other bonus and incentive pay paid in April 2022.



Equal Pay requires that women and men carrying out the same or similar work in the same employment must receive the same pay.

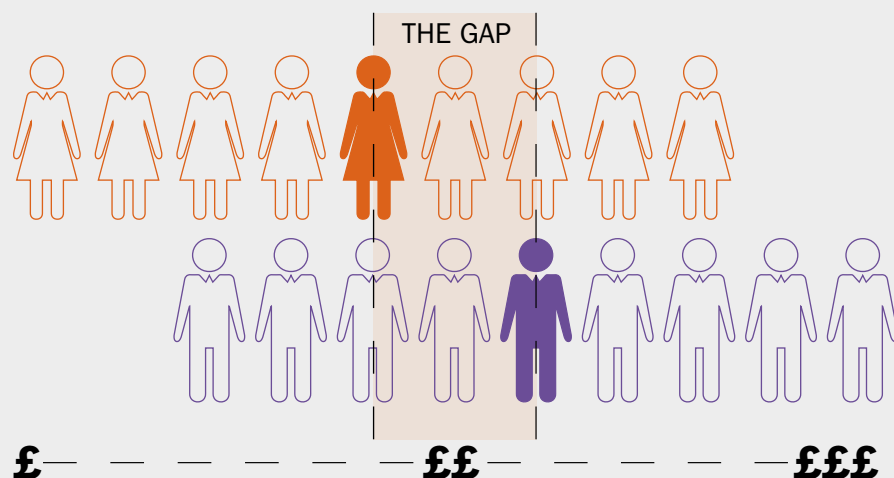
Gender Bonus Gap

The **Gender Bonus Gap** is the difference in incentive pay received by women and men in the 12 months prior to 5 April 2022. This includes all bonuses and incentives, such as earnings from stock compensation.



Explaining median and mean:

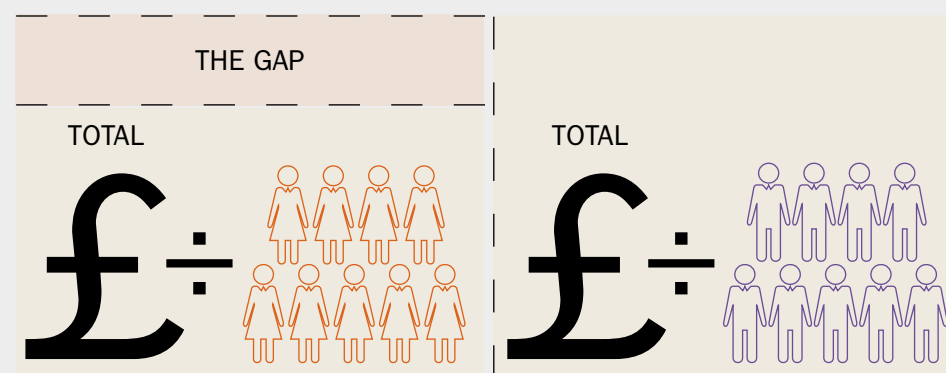
Median



The **median** is the middle number of a ranking of hourly pay from lowest to highest and gives us the best view of 'typical' pay. This calculation is completed separately for women and men, and the medians are compared.

It is important to note that the UK Gender Pay Gap legislative requirements are binary in regards to gender (specifying women compared to men). Whilst we are reporting our statistics in accordance with the legislation, at PVH, we recognise and support all gender identities.

Mean



The **mean** is calculated by adding up the total pay of employees and dividing by the number of employees. This is completed separately for women and men, and the means are compared. This number can vary significantly year to year due to changes in the workforce.

Our results

Overall we are pleased that our median Gender Pay Gap has remained at 0%. However, we want to make progress to reduce our mean Gender Pay, and both our mean and median Bonus Pay Gaps for the newly combined entity. We are taking action to address these.

Gender and Bonus Pay Gap

Pay Gap

0.0%

Median

15.5%

Mean

Bonus Gap

11.1%

Median

68.8%

Mean

Proportion receiving a bonus

26%

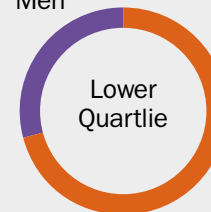
Women

28%

Men

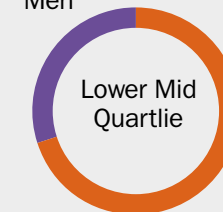
Gender Bonus Gap

29%
Men



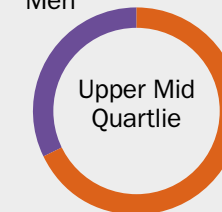
71%
Women

30%
Men



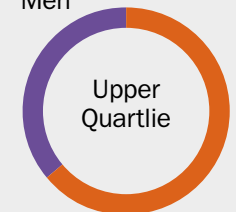
70%
Women

32%
Men



68%
Women

36%
Men



64%
Women

Key drivers of our Gender Pay Gap

The key drivers of our GPG figures are:

- The median Gender Pay Gap remains 0% and is driven by the large proportion of Associates in our UK Retail businesses who receive the same rate of hourly pay.
- Our mean Gender Pay Gap has increased since our 2021 report. This can be attributed to the inclusion of our Office population, which has a very different pay and bonus structure, within this year's reporting.
- Our Office population currently has a higher proportion of men in the most senior positions.
- The Bonus Pay Gap is driven by bonuses paid amongst our Office population and the higher proportion of men currently in the most senior bonus-eligible positions.



Addressing our GPG

At PVH we remain committed to reducing our Pay Gaps and have a range of initiatives designed to support and advance gender equity. We are also increasing diversity at all levels across our business through the development of more women into senior roles.

In 2021, we established nine I&D commitments, some of which are included below.

More detail on these can be found on our [commitments page](#).



In 2021 we set a target to achieve gender parity globally in all leadership positions at the Senior Vice President level and above by 2026.

Through our training and mentoring programmes, Business Resource Groups (BRGs) and proactive pay review initiatives, we are committed to achieving our target and reducing our gaps.

These initiatives include ➤

Training and mentoring

- We've launched a global **mentorship programme** for women across our associate population to provide guidance on developing key skills.
- **Unconscious bias** training was delivered to all Associates in the UK in 2022.
- In 2022, we launched the **I&D Champion Level Badge 1** initiative across Europe. This was a training initiative offered to all our office based Associates.

Supporting women

- Our **Empowering Women** BRG organised and celebrated International Women's Day on 8th March 2022, where we continued to embrace equity through Senior Leader Panel Events and an internal communication campaign. They are planning further exciting initiatives and events for 2023.
- **Enhanced maternity leave policy** supports women as they begin an exciting new step in their lives. We also encourage men to take paternity leave, as we recognise there has been a stigma around men as primary caregivers and we want to lead in breaking this down.
- PVH continued to partner with global non-profit Catalyst to support gender equality initiatives for women in the workplace. We have ensured that all our Associates have access to these services.

Pay review

- We introduced **performance calibration** for office-based Associates with clearer definitions. In 2023 we will be expanding this initiative to our Retail Associates.
 - We have **standardised pay** in our Retail business. The impact of which is reflected in that we have maintained a 0% median Gender Pay Gap.
-

Wider I&D initiatives

- A requirement for all People Managers to provide an **I&D Leadership Goal** with at least two specific actions that support I&D. This is part of a process to help embed a culture of inclusion and equity and foster a greater feeling of belonging.
- **PVH University** – development opportunities both in classroom and online – leadership development courses to develop internal talent pipeline to reach their potential (we have a high proportion of female employees at all levels).

PVH is committed to prohibiting all forms of discrimination. We are an equal opportunity employer committed to avoiding unlawful discrimination in all aspects of employment including recruitment, promotion of internal associates and pay reviews. We are fully committed to addressing our Gender Pay Gap figures and will continue to strive for gender parity across the organisation.

Workplace awards and recognition

We are proud of the external recognition PVH has received over the last year.

It is encouraging that our efforts to cultivate an environment of inclusion, belonging and equity has been able to make a distinct impact.

- PVH scored 100 on the Human Rights Campaign (HRC) Foundation's Corporate Equality Index for the sixth year in a row.
- PVH ranked No.23 in Forbes' "World's Top Female-Friendly Companies' list.
- PVH was ranked No. 12 in Fairygodboss' "Best Companies for Women 2022".
- PVH was nominated by Workplace Pride in Europe for our workplace inclusion with LGBTQIA+ community.

