

# CORPORATE SOCIAL RESPONSIBILITY STRATEGY

APRIL 22, 2020

**CAPRI**  
HOLDINGS LIMITED

VERSACE

JIMMY CHOO

MICHAEL KORS

# A Letter From Our Chairman and CEO



I'm proud to present Capri Holdings' corporate social responsibility strategy. In these pages, you'll find the actions our company is taking to drive positive environmental and social change within our organization and our world.

Early last year, soon after we created our global fashion luxury group, Capri Holdings, we assessed the sustainability efforts each of our brands was already undertaking, along with the core values shared by them. We also considered the responsibilities we collectively hold to the environment, to the communities in which we operate, and to the people with whom we work. Versace, Jimmy Choo and Michael Kors are three iconic and distinct brands. Together they represent a company founded on talent, innovation and celebration of the individual. We recognize that as our company grows, so do our responsibilities, and welcome the opportunity to do more. We believe that sound environmental and social policies are both ethically correct and fiscally responsible. To that end, we are committed to improving the way we work in order to better the world in which we live.

The specific priorities and actions outlined in this document reflect the distinct values and culture of Capri Holdings.

Our strategy is divided into three areas:

- **Our World**, focused on actions across our operations and supply chain meant to significantly reduce our environmental impact.
- **Our Community**, fostering a supportive, healthy, diverse and inclusive workplace for all of our employees.
- **Our Philanthropy**, connecting the talents, energy and success of our brands to those in need around the world.

It is important to note that each brand within Capri has already taken steps to address many of the areas identified in our strategy. Our aim, therefore, is to establish clear, measurable goals across our group that ensure that we go further, faster.

In arriving at the goals and objectives described in this strategic plan, we looked to the United Nations Sustainable Development Goals for insight, and also to align ourselves effectively with the work being done by governments, individuals and companies around the world. In keeping with the scope of our commitment, on April 22, 2020, the 50th anniversary of Earth Day, Capri Holdings became a signatory to the UN Global Compact.

We are excited about the future of our company, and about the commitment of everyone at Capri Holdings to achieving our corporate social responsibility goals. We look forward to periodically updating you on our progress towards our objectives.

John D. Idol  
Chairman and Chief Executive Officer



# CAPRI

HOLDINGS LIMITED

VERSACE

JIMMY CHOO

MICHAEL KORS

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Capri Holdings Limited is a global fashion luxury group, consisting of iconic brands that are industry leaders in design, style and craftsmanship. Our brands cover the full spectrum of fashion luxury categories including women's and men's accessories, footwear and ready-to-wear, wearable technology, watches, jewelry, eyewear and a full line of fragrance products. Our goal is to continue expanding the global reach of our brands while ensuring that each maintains its independence and exclusive DNA.



# Our Brands



## VERSACE

Versace, recognized as one of the world’s leading fashion luxury houses, is synonymous with Italian glamour and style. Founded more than 40 years ago in Milan, Versace is renowned throughout the world for its iconic and timeless heritage, unmistakable design aesthetic and unparalleled craftsmanship.



## JIMMY CHOO

Jimmy Choo is a leading global luxury house with an empowering sense of glamour and a playfully daring spirit. Since its founding in London in 1996, Jimmy Choo continues to be known for its red-carpet celebrity dressing and exceptional craftsmanship.



## MICHAEL KORS

Michael Kors is a world-renowned, American fashion luxury lifestyle house. Established in New York City in 1981, Michael Kors is known for its jet-set glamour and is defined by a vision of speed, energy and optimism.



# Our Corporate Social Responsibility Strategy

As a global fashion luxury group we recognize the impact that our operations can have on the environment and the social well-being of others. The purpose of our corporate social responsibility strategy is to drive positive change within our organization and our world in alignment with the United Nations Sustainable Development Goals.

CAPRI ACCOMPLISHMENT

## Capri Commits to Implement the Ten Principles of the UN Global Compact

We have set our strategy around the environmental and social sustainability opportunities and challenges that matter most to our stakeholders. Our corporate social responsibility assessment included a review of business risks and opportunities, industry and sustainability leader benchmarks, and leading reporting frameworks, taking into account the perspectives of a variety of internal and external stakeholders.

The results of our assessment helped to set our overarching sustainability strategy for the coming years. Our strategy has three strategic focus areas—Our World, Our Community and Our Philanthropy—which guide our activities and aim to drive impact across our organization and in our world. The goals set forth in this report have been informed by the UN Sustainable Development Goals, the Ten Principles of the UN Global Compact and the Paris Climate Agreement. We will continue to regularly assess the sustainability-related issues facing our business, industry and world to ensure our strategy is relevant, meaningful and impactful.

We believe collaboration is critical to creating lasting change. In addition to our support of the UN Global Compact, the Fashion Pact, the CEO Action for Diversity & Inclusion, the Open to All Pledge and the UN Women’s Empowerment Principles, we have partnered with industry groups and sustainability leaders including BSR’s Responsible Luxury Initiative, the Leather Working Group, the Sustainable Apparel Coalition and the Zero Discharge of Hazardous Chemicals Programme, in order to increase our collective impact.



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# OUR WORLD

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## *Designing Luxury Fashion with Integrity*

Operating responsibly helps us to reduce our environmental impact, lower our business costs and support industry-wide change. We strive to create the highest quality luxury products with minimal harm to the world we live in.

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### TRANSPARENT SUPPLY CHAIN

We believe traceability is a critical first step toward environmental and social responsibility. Having reliable data on each step of our products' life cycles gives us the ability to identify the greatest risks and opportunities in our supply chain. We currently have 100% traceability of finished goods suppliers across all of our brands, and strive to have 95% traceability of fabric, trim and hardware suppliers and processing units by 2025, and 95% traceability of raw material suppliers by 2030.

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#### CAPRI ACCOMPLISHMENT

# 100%

TRACEABILITY OF FINISHED GOODS SUPPLIERS

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#### CAPRI GOAL

# 95%

TRACEABILITY OF SUPPLIERS AND PROCESSING UNITS BY 2025, AND RAW MATERIALS BY 2030

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In 2019, our company participated in the CDP Climate Change, Forests and Water Security surveys for the first time. We support the CDP's belief that transparency and accountability are vital to tracking sustainability progress, and we look forward to submitting additional details on our supply chain and sourcing activities in future surveys.



# Our World (Continued)

## FACTORY COMPLIANCE PROGRAM

In addition to maintaining a transparent supply chain, Capri Holdings is dedicated to conducting our operations throughout the world on principles of ethical business practices and recognition of the dignity of workers. We expect our supply chain partners to conduct their operations in line with our Factory Compliance Program, which addresses both environmental and social sustainability issues.

Our program is designed to ensure that all suppliers and factories directly engaged by our brands to produce or source products (or components) adhere to our Code of Conduct for Business Partners; meet all local legal requirements with respect to the environment, and the safety, welfare, compensation and benefits of workers; observe all other applicable workplace regulations; and abide by all Capri policies and procedures governing human rights issues such as child labor, forced labor, discrimination, responsible sourcing, and health and safety.



As a part of our Factory Compliance Program, all direct suppliers must register their factories and facilities with our factory compliance team, indicating the locations of those facilities and authorizing us to conduct social compliance audits. We have recently implemented a cloud-based software system for use by our internal brand teams and their suppliers, to efficiently facilitate the registration process and exchange of information related to our Factory Compliance Program. We engage independent third-party auditors to conduct social compliance audits of our suppliers. Audits focus on working hours; wages and compensation; child, forced and prison labor; disciplinary practices; discrimination; health and safety; and worker welfare.



We support remediation over termination of our relationships with suppliers where possible. Our goal is to work with business partners that are honest, transparent and committed to making continuous improvements, but we do reserve the right to terminate our relationship with partners who are unwilling or unable to address compliance issues.

# Our World (Continued)



Our Factory Compliance Program is also designed to discourage all forms of corruption, including extortion and bribery, in the supply chain. All partners and persons who conduct business on behalf of our company or any of our brands, including our employees, or whose conduct will reflect on our company or any of our brands, must be willing to operate in line with the principles set forth in our Anti-Bribery Policy.

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## CAPRI ACCOMPLISHMENT

### *Capri signs on to the AAFA Commitment to Responsible Recruitment*

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Capri Holdings is committed to the fair treatment of workers. We believe that working together with other leaders in our industry is an important step to eliminating conditions that can lead to forced labor in the countries from which we source products. We have signed on to the American Apparel & Footwear Association’s Commitment to Responsible Recruitment, signifying our commitment to work with our global supply chain partners to create conditions so that no workers pay for their job; workers retain control of their travel documents and have full freedom of movement; and all workers are informed of the basic terms of their employment before leaving home. These same principles are reflected in our Code of Conduct for Business Partners.





# Our World (Continued)

## RESPONSIBLE SOURCING

Understanding where our brands' products are made is not enough. We believe that responsibly sourcing key raw materials in a way that respects the environment will better position our company for the future, while generating measurable, positive impacts for the world.

Sustainability starts with design. Our teams design and develop luxury products taking into account the principles of quality and longevity, and we seek to offer more products that are sustainable and eco-conscious. We recognize the importance of making thoughtful sourcing decisions, and by leveraging resources like the Sustainable Apparel Coalition's Higg Product Tools, our design teams are better equipped to understand the impact of proposed designs and materials on the environment before products are produced. We encourage collaboration amongst brands within our luxury fashion group to develop strategies to improve the sustainability of our products.

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### CAPRI GOAL

# 95%

OF LEATHER SOURCED FROM CERTIFIED TANNERIES BY 2025

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In prioritizing our responsible sourcing initiatives, we are primarily focused on the material most important to our business - leather. Capri Holdings is a member of the Leather Working Group, a multi-stakeholder initiative working toward developing and maintaining a consistent protocol to assess the environmental compliance and performance capabilities of leather manufacturers. To minimize the negative impact leather production may have on the environment, we are committed to sourcing at least 95% of the leather used in our products from Leather Working Group Gold or Silver Certified tanneries, or from tanneries achieving comparable certification, by 2025.

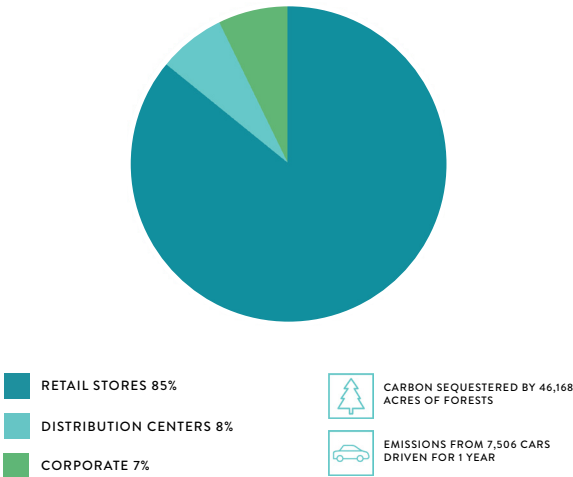
Our company is also exploring innovative and environmentally-responsible alternatives to leather, and we are willing to invest in opportunities to make leather alternatives that do not compromise on sustainability or longevity a reality.

# Our World (Continued)

## REDUCE GREENHOUSE GAS EMISSIONS

To combat the impacts of climate change and operate our business more sustainably, we are committed to reducing our greenhouse gas emissions and increasing our investment in renewable energy. Our goal is to be 100% carbon neutral in our direct operations, and to source 100% of energy for our owned and operated facilities from renewable sources, by 2025. Building on our net zero carbon emissions commitment, and in an effort to deliver on the goals of the Paris Climate Agreement, we will additionally commit to set emissions reduction targets across our operations and supply chain (Scopes 1, 2 and 3) with the Science Based Targets initiative by 2021.

CAPRI HOLDINGS SCOPE 1 & SCOPE 2  
GHG FOOTPRINT (FY19)  
*Estimated to be 40,275 metric tons CO2e*



## DEFINING SCOPES 1, 2 & 3:

- SCOPE 1:**  
GHG emissions that come directly from our facilities
- SCOPE 2:**  
GHG emissions from energy we purchase to power our facilities
- SCOPE 3:**  
GHG emissions generated through the manufacturing and distribution of our brands' products, business travel and other indirect sources

We look to operate more efficiently to reduce our emissions, invest in renewable energy to avoid operational emissions, and partner with carbon-saving projects, such as deforestation and forest conservation initiatives in those areas where we do business, to offset those emissions that we are unable to reduce or avoid. We are working toward defining a concrete plan to meet our climate and renewable goals based on our recently-calculated Scope 1 and Scope 2 greenhouse gas emissions baseline for Fiscal Year 2019.

CAPRI GOAL  
**100%**

RENEWABLE ENERGY AND CARBON NEUTRAL IN DIRECT OPERATIONS BY 2025



# Our World (Continued)

## OPERATING EFFICIENTLY

We will continue to introduce initiatives aimed at reducing our energy use by improving our operational efficiency.

In addition to installing LED lighting, window shades to reduce cooling needs, and light sensors in our new and renovated corporate offices, we have replaced certain equipment and lighting in our distribution centers with more energy-efficient models. Our distribution center in Whittier, California operates a fleet of 99% electric forklifts, and our distribution center in Venlo, the Netherlands operates a 100% electric forklift fleet. All conveyor systems in our directly operated distribution centers operate on energy efficient platforms, and the Venlo distribution center received an “Excellent” rating from BREEAM for its environmentally friendly features. Additionally, our IT teams are actively investing in opportunities to move to cloud-based solutions, which will decrease the greenhouse gas emissions associated with our data center operations.

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### CAPRI ACCOMPLISHMENT

## *Venlo Distribution Center receives “Excellent” BREEAM rating*

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Versace’s LEED-certified boutique in Bal Harbour, FL

We intend to retrofit all distribution center exit lighting with photoluminescent signage in the future – a solution which requires no electricity or batteries, utilizes recycled aluminum and is recyclable itself, and is non-toxic and non-radioactive. Where feasible, we also ensure that all new and renovated retail stores are designed and built with sustainability in mind, including by installing occupancy sensors, LED lighting and low flow toilets.



Venlo Distribution Center

# Our World (Continued)

## INVESTING IN RENEWABLES & OFFSETS

We intend to prioritize avoidance of emissions by investing in clean, renewable energy, and by offsetting those Scope 1 and Scope 2 greenhouse gas emissions that we cannot reduce or avoid.

We are working closely with internal teams to explore renewable energy solutions that will work best for our company. Where possible, we will endeavor to add solar energy to owned and operated facilities. For example, 27,500 solar panels were installed on the roof of our Venlo distribution center in July 2018, which generate approximately 7.64 MWp of renewable energy per year (enough to power more than 2,000 local households annually).

We are also exploring off-site, carbon-saving opportunities, including projects that support forest conservation and deforestation efforts, to offset the impact of any remaining Scope 1 and Scope 2 GHG emissions.



## SCOPE 3 EMISSIONS

While our emissions reduction and renewable goals address our Scope 1 and Scope 2 greenhouse gas emissions, Capri is concurrently focused on reducing the carbon footprint associated with the production and shipping of our brands' products.

Our primary strategy to reduce the carbon footprint associated with our supply chain is to engage with key partners to identify emissions reduction opportunities throughout the sourcing and production process. By leveraging the Sustainable Apparel Coalition's Higg Tools, our teams will look to capture environmental performance data of partner facilities, including energy efficiency and energy type, to understand our Scope 3 emissions and where progress can be made. We will also continue to encourage our suppliers' use of renewable energy where feasible.

# Our World (Continued)



Additionally, we work closely with our transportation partners to continually examine and refine our logistics processes to maximize shipping efficiency. Our teams recognize which delivery/return routes and options are the most carbon intensive, and we strive to select the most cost efficient and least carbon intensive delivery options which meet our on-time needs. We also acknowledge that greenhouse gas emissions from global shipping are jeopardizing the Arctic people, sea life and ecosystems, and therefore, we prohibit the shipment of any of our brands' products (or components) by any carriers directly engaged by Capri or its brands on vessels via Arctic Trans-Shipments Routes.

In addition to utilizing more eco-friendly methods and routes of transportation, we continue to explore and implement initiatives to reduce transportation legs in our value chain, including consolidation of transportation through origin cargo management services, use of in-region warehouses for all distribution channels, utilization of pool networks for select brands and regions, and operation of distribution center bypass programs for select wholesale customers, through which we leverage mutual supply chain capabilities to streamline product movement.

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### CAPRI ACCOMPLISHMENT

## *Capri commits to The Fashion Pact during G7 Meeting*

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### THE FASHION PACT

Our ambitious greenhouse gas emissions reduction goals support one of the foundational principles of the Fashion Pact, a commitment we made with a coalition of more than 60 global fashion and textile companies to reduce the environmental impact of our industry. The Fashion Pact, presented to heads of state during the G7 meeting at Biarritz, establishes action in three areas critical to safeguarding the planet – stopping global warming, restoring biodiversity and protecting the oceans. We are proud to be a part of this extraordinary pledge and will continue to work collectively with the other signatories toward a more sustainable future.



# Our World (Continued)

## REDUCE WASTE

The waste generated by our industry is a continuing problem, and we know that we can do better. Our goal is to achieve a 25% reduction in our company’s direct operation waste, inclusive of the waste generated by our packaging, by 2025. We strive to manage our directly owned and operated facilities in an environmentally responsible manner, including by seeking to reduce as much waste generated by our operations as possible.



At Capri, we are continually working to do our part in decreasing the amount of discarded textiles that end up in landfills globally. As we seek ways to implement scalable textile recycling and upcycling solutions, including increasing the amount of recycled fibers in our products, we are proud to divert excess fabric throughout our operations to a number of charitable organizations that will breathe new life into them.

CAPRI GOAL

# 25%

REDUCTION IN DIRECT OPERATION WASTE BY 2025

Through a partnership with the non-profit organization Nest, we were able to donate premium fabric to two charitable organizations in 2019 - Custom Collaborative in Harlem, New York, a nonprofit that trains and supports women from low-income and immigrant communities to establish living wage careers in sustainable fashion and design, and Bib & Tucker in Birmingham, Alabama, a nonprofit hub for sewing activities that promotes empowerment, education and economic opportunity. Similarly, through a partnership with FABSCRAP, a New York-based nonprofit which collects fabric and textile waste which would have otherwise been diverted to landfills, fabric from our New York office is collected and donated on a continuous basis. We are exploring similar opportunities to address fabric and textile waste at our brands’ offices across the globe.





# Our World (Continued)



Additionally, we have implemented a number of corporate office waste-reduction initiatives, including the phasing out of single-use plastics in pantry offerings in line with our new global Green Pantry Policy, the implementation of print management and electronic waste recycling programs, and the removal of a significant majority of personal printers and older, energy-inefficient computer systems. We are evaluating on-product packaging reductions and engaging our brands to improve recycling rates at our retail stores. Within our directly-owned distribution centers, hand dryers are installed in all restroom facilities, our logistics teams re-use shipping corrugate when feasible, and we maintain robust recycling programs. Our teams are also rolling out improved education and communications around recycling and waste reduction across all of our facilities.

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CAPRI GOAL

# 100%

RECYCLABLE OR SUSTAINABLY SOURCED  
POINT-OF-SALE PACKAGING BY 2025

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CAPRI GOAL

# 100%

RECYCLABLE, COMPOSTABLE, RECYCLED OR  
REUSABLE PLASTIC IN PACKAGING BY 2025

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## SUSTAINABLE PACKAGING

Capri is committed to reducing the impact of our packaging. Our teams continuously review packaging strategies and designs to make the best use of recyclable and sustainably sourced materials. We are working to ensure that 100% of our brands' point-of-sale packaging will be recyclable or sustainably sourced by 2025.

We are also investing in ways to reduce our plastic footprint across all other packaging types, including e-commerce, transport and on-product packaging. Where we cannot eliminate the use of plastic in our packaging, we commit to using only recyclable, compostable, recycled or reusable plastic by 2025.

## RESPONSIBLE WATER USE

Water is essential for both our business and the communities where we do business. We are committed to carefully managing water use and quality across our supply chain, paying particular attention to those areas around the world where our reduction efforts are most critical. Our primary strategy to save vital water

# Our World (Continued)



resources and minimize our water footprint is to engage with key production and processing facilities to identify water-saving opportunities, such as water recycling, and to explore the use of water-saving methods in the production of our brands' products.

By leveraging the Sustainable Apparel Coalition's Higg Tools, we expect to capture environmental performance data of partner facilities in a more efficient and accurate manner. Our goal is to help these key partners achieve a 10% aggregate reduction in their water consumption by 2025.

CAPRI GOAL

# 10%

REDUCTION IN KEY SUPPLIERS' AGGREGATE WATER USE BY 2025

We also acknowledge that our agricultural supply chain, including leather production and tanning, has one of the most significant impacts to water use and quality within our business. By leveraging the tools and resources of multi-stakeholder initiatives like the Leather Working Group, we seek to reduce the water footprint associated with our brands' products.

CAPRI GOAL

## *Zero hazardous chemicals in supply chain by 2025*

### CHEMICAL MANAGEMENT

We believe implementing a consistent set of tools to support best practices around chemical management will help advance the industry as a whole.

Capri Holdings joined the Zero Discharge of Hazardous Chemicals Programme, a global coalition of leading international brands in the apparel and footwear sectors, to support elimination of hazardous chemicals in our supply chain by 2025. Over the next five years, we plan to integrate Zero Discharge of Hazardous Chemicals tools and resources, including their Manufacturing Restricted Substances List and Wastewater Guidelines, into our Chemical Management Program, which already includes comprehensive Product Restricted Substances Lists and associated testing criteria in line with legal requirements and industry best practices.

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# OUR COMMUNITY

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## *Fostering Worker Engagement, Diversity & Inclusion*

At Capri Holdings, we strive to create workplaces where our employees and the workers across our supply chain thrive. Through our benefits packages, learning and development programs, focus on diversity and inclusion, and supply chain empowerment initiatives, we continue to make significant investments in our Capri community.

### BENEFITS & COMPENSATION

Capri Holdings maintains comprehensive benefits and compensation packages to attract, retain and recognize our employees. Our health and welfare benefit program is designed to provide a wide range of benefits to meet the health care, financial and work/life needs of eligible employees. Beginning in 2020, we are proud to offer gender reassignment coverage and fertility support benefits in the United States.



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### CAPRI ACCOMPLISHMENT

# 800+

LEADERS PARTICIPATED IN LEADERSHIP DEVELOPMENT PROGRAMS GLOBALLY

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### LEARNING & DEVELOPMENT

We honor our employees through our dedication to development. A majority of our executives have participated in an executive leadership development program offered in partnership with the Center for Creative Leadership, and more than 800 of our people managers have participated in leadership development programs. These programs are aimed at equipping our leaders with strategies to effectively navigate and drive change, and to build and strengthen cross-functional relationships.

# Our Community (Cont.)



All full-time employees also participate in a formal performance review process annually, and receive annual trainings on important topics including compliance, ethics and integrity, respect in the workplace and information security as a part of our efforts to maintain a safe, positive and inclusive work environment.

We will continue to invest in training opportunities for our employees to develop new skills and experiences at every level of our company. We intend to offer customized leadership programs for all levels of corporate and field management employees, we will launch a global learning management system for retail store employees, and we will offer comprehensive training for all store associates on brand, product and service.

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### CAPRI GOAL

*Enhanced leadership programs for corporate and field management employees*

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## DIVERSITY & INCLUSION

Diversity and inclusion are embedded in the DNA of each of our three brands. We foster an inclusive environment where employees and customers of diverse backgrounds are welcomed, valued and celebrated. We are proud of our commitment to diversity, equality and inclusion, and we will continue to advance these principles wherever we do business. Our doors are open to all.

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### CAPRI ACCOMPLISHMENT

*Capri establishes Global Diversity & Inclusion Council*

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In January 2020, Versace, Jimmy Choo and Michael Kors united to form the first Capri Holdings Global Diversity & Inclusion Council, comprised of diverse leaders across all brands and regions. The aim of our Global D&I Council is not only to ensure that our workplace is one where all employees feel they can contribute to their maximum potential, but also to champion the





# Our Community (Cont.)



diverse backgrounds of our customers and employees. The Global D&I Council will work closely with senior leadership to ensure alignment of short-and long-term diversity and inclusion goals with the company’s overall business strategy, provide governance and oversight on diversity and inclusion efforts across brands, and promote company-wide communication on progress.

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### CAPRI ACCOMPLISHMENT

## *Forbes names Capri 2019 Best Employer for Diversity*

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Capri Holdings is proud to have been named a 2019 Best Employer for Diversity by *Forbes*. To honor our employees’ diverse backgrounds, and through the leadership of our Global D&I Council, we will continue to publish a global diversity calendar and host cultural celebrations within our workplaces.

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### CAPRI ACCOMPLISHMENT

## *Capri commits to Open To All Pledge and CEO Action for Diversity & Inclusion*

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In September 2019, alongside other leaders in the fashion industry, Capri Holdings signed the “Open to All” Pledge, which supports the principle that when a business opens its doors to the public, it should be open to all. We simultaneously signed the CEO Action for Diversity and Inclusion, a CEO-driven business commitment to advance diversity and inclusion in the workplace. In line with these commitments, we pledge to roll out unconscious bias training to all employees, beginning in Fiscal Year 2021.



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### CAPRI GOAL

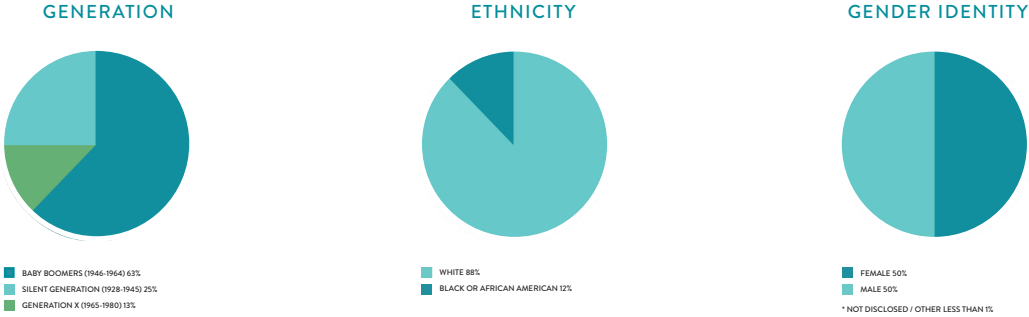
## *Capri pledges to roll out unconscious bias training to all employees beginning Fiscal Year 2021*

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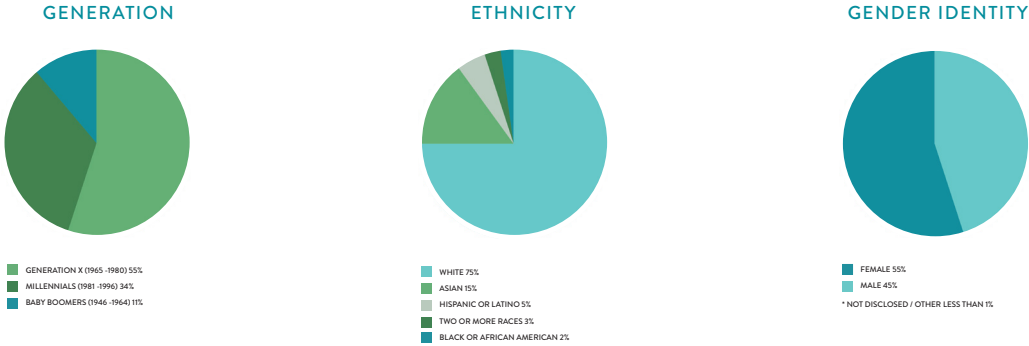
# Capri Holdings Global Diversity Data

We have joined a number of our peers in sharing diversity data for our workforce. The initiatives we have established, including the Capri Holdings Global D&I Council, help us to foster a diverse and inclusive workforce. We recognize that we have more work to do, and we will continue to focus on hiring diverse talent across every function and region.

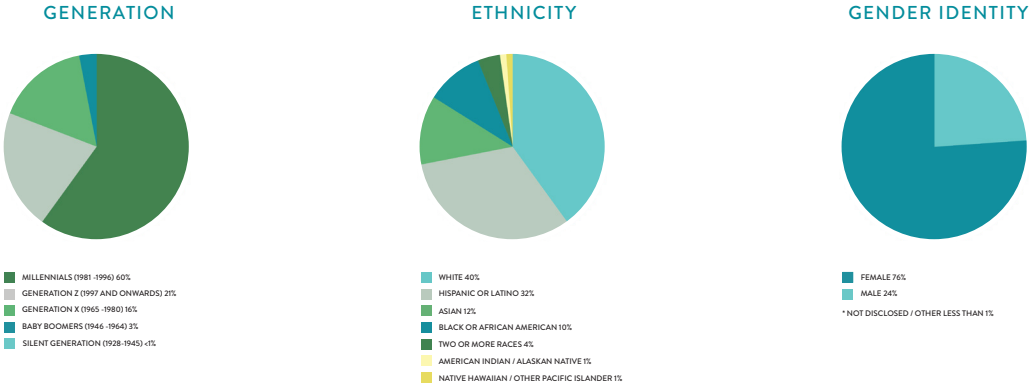
## BOARD OF DIRECTORS



## LEADERSHIP



## EMPLOYEES



This data reflects voluntarily self-disclosed data from active, full-time and part-time employees globally as of March 31, 2020. Capri Holdings does not require employees to disclose their gender identity or ethnicity. Leadership is defined as Director or above.

# Our Community (Cont.)



## WOMEN'S EMPOWERMENT

To coincide with the release of this report, Capri Holdings advanced its longstanding commitment to women's rights and human rights by endorsing the UN Women's Empowerment Principles. We recently hosted leadership panels at a number of Capri offices across the globe, in celebration of International Women's Day, and are proud that 55% of our leaders identify as female.

### CAPRI ACCOMPLISHMENT

*Capri endorses UN Women's Empowerment Principles*

### CAPRI ACCOMPLISHMENT

*Capri is recognized by Women's Forum of New York for achieving gender parity on Board of Directors*

In addition, in November 2019, our company was honored at the Women's Forum of New York's Breakfast of Corporate Champions, the organization's biennial salute to S&P 500/ F1000 companies and CEOs who are leading the way to gender parity in the boardroom. Capri Holdings was one of only 26 companies honored by the Women's Forum of New York in 2019 for achieving gender parity on its Board of Directors, with 50% of our director seats held by women. We are proud of this achievement and are committed to advancing diversity and inclusion across all levels of our company.





## LGBTQ+ SUPPORT

Capri Holdings supports the pursuit of LGBTQ+ equality inside and outside of the workplace. Our brands have also created products and capsule collections to celebrate Pride Month, with proceeds of select products benefiting organizations within the LGBTQ+ community.

In 2019, Versace Chief Creative Officer Donatella Versace was appointed Stonewall Ambassador by Pride Live, an organization pushing forward awareness and support for the LGBTQ+ community through social advocacy and community engagement. That same year, Michael Kors, along with God's Love We Deliver, sponsored the organization's Pride celebration in honor of the 50th anniversary of the Stonewall Riots at the historic Stonewall Inn, where the gay rights movement began in New York City.



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### CAPRI ACCOMPLISHMENT

*Donatella Versace is appointed Stonewall Ambassador by Pride Live*

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Capri also intends to submit, for the first time as a company, the Human Rights Campaign's Corporate Equality Index survey this summer. The Corporate Equality Index is an annual benchmarking survey and report on corporate policies and practices related to LGBTQ+ workplace equality.



# Our Community (Cont.)

## HEALTHY & SAFE WORKPLACE

*Thrive* is Capri Holdings' wellness program focused on health issues and awareness in the workforce. This program runs on a quarterly basis and focuses on four key aspects of health: emotional, physical, social and financial. We believe that by tackling stigmas and issues around these four topics, we can create a happier and healthier employee population. Resources offered as a part of *Thrive* include sleep improvement programs, application software spotlighting fertility, pregnancy and parenting, and yoga and meditation classes in the workplace. We commit to extending the *Thrive* wellness program to all brands and regions in Fiscal Year 2021.

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### CAPRI GOAL

*Capri commits to extend Thrive wellness program to all brands and regions in Fiscal Year 2021*

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Everyone working on behalf of our company is entitled to work in a safe environment. Capri's global safe workplace program, which includes employee traveler and emergency response alerts, raises awareness and provides safety resources tailored for workers in different work environments - from our distribution centers to our retail stores. We will continue to focus on providing the knowledge workers need to do their jobs safely.



## SUPPLY CHAIN EMPOWERMENT

Our community extends beyond our direct employees, and our corporate social responsibility program drives us toward greater engagement with our suppliers. We are proud of our longstanding commitment to human rights and our brands' adoption of a robust Factory Compliance Program, but we believe we can do more to continue this important work. Our goal is to establish and implement supply chain empowerment programs, inclusive of human rights and fair wages trainings, for key supply chain partners in line with the UN Framework for Corporate Action on Workplace Women's Health and Empowerment, by 2025.

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### CAPRI GOAL

*Capri to implement supply chain empowerment programs by 2025*

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# OUR PHILANTHROPY

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## *Supporting Communities in Need*

Giving back is embedded in our company's culture, and we are committed to creating lasting change in the communities where we live and work.



Watch Hunger Stop Global Ambassador Lupita Nyong'o

### **MICHAEL KORS' FIGHT AGAINST HUNGER**

Michael Kors launched its Watch Hunger Stop global philanthropic campaign against hunger in partnership with the UN World Food Programme in 2013. The UN World Food Programme is the leading humanitarian organization saving lives and changing lives, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience. To date, the Watch Hunger Stop campaign has helped deliver more than 19 million meals to children in hunger-stricken areas around the world through the World Food Programme's school meals program.

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#### CAPRI ACCOMPLISHMENT

# 19 MILLION+

MEALS DELIVERED TO CHILDREN IN HUNGER-STRICKEN AREAS THROUGH WATCH HUNGER STOP

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# Our Philanthropy (Cont.)



The Michael Kors God's Love We Deliver Building in NYC

Each October, to mark World Food Day on October 16, Michael Kors offers for sale special-edition products designed to raise funds for the World Food Programme. The Michael Kors brand has also encouraged customers to make donations directly to the World Food Programme and has donated additional meals in connection with social media activities undertaken by its fans.

## CAPRI ACCOMPLISHMENT

### *Michael Kors named Goodwill Ambassador for United Nations World Food Programme*

Mr. Michael Kors was named a Global Ambassador Against Hunger for the UN World Food Programme in 2015, and now serves as a Goodwill Ambassador for the organization. He also received the World Food Programme USA's McGovern Dole Leadership Award in 2016, in recognition of his dedication to philanthropy and the fight against hunger.

The roots of Michael Kors' engagement with the issue of hunger trace back to the brand's early years in New York City. Michael Kors, both the brand and individual, have long supported God's Love We Deliver, an organization dedicated to delivering nutritious, home-cooked meals to people living with serious illness in the greater New York area. In 2015, God's Love We Deliver moved into the new Michael Kors building on Spring Street in New York City, named in honor of the designer's generosity over the previous 25 years.

The brand's employees are encouraged to support God's Love We Deliver and its mission by participating in the organization's annual Race to Deliver, a 4-mile run/walk in Central Park, and by volunteering during God's Love We Deliver's "Michael Kors Month" each July. Michael Kors has additionally hosted the annual God's Love We Deliver Golden Heart Awards since 2013, following his receipt of the Michael Kors Award for Outstanding Community Service, named in his honor.





# Our Philanthropy (Cont.)



## THE JIMMY CHOO FOUNDATION

The Jimmy Choo Foundation was established in 2011 with the focus of empowering women and improving their quality of life through education and enterprise. As women have always been at the core of the Jimmy Choo brand, it feels passionately about creating a world where women can develop the confidence and optimism to dream and achieve.

The Jimmy Choo Foundation’s past work has helped to address the most common barriers faced by women in developing economies, including through a partnership in 2016 and 2017 with global organization CARE International, and specifically, with the organization’s LendWithCare initiative. Founded in 1945, CARE International is one

of the largest humanitarian aid organizations focused on fighting global poverty. The company’s donations to LendWithCare have supported investments in approximately 1,600 female entrepreneurs and over 3,000 of their family members.

In celebration of International Women’s Day 2020, Jimmy Choo took part in a fundraising initiative by creating its “Choos Women” t-shirt. The limited-edition t-shirts were sold in support of Women for Women International, a charitable organization helping women in war-torn countries rebuild their lives through year-long training programs where they learn how to earn and save money, improve their family’s health and make their voices heard at home and in their community. Jimmy Choo is proud to support this organization by donating 100% of proceeds from shirt sales during the campaign to Women for Women International.

Looking forward, The Jimmy Choo Foundation is excited to announce an ongoing global partnership with Women for Women International, which will include an annual company donation, employee engagement program and a series of bespoke brand activations surrounding their #SheInspiresMe campaign. Funds raised from the partnership will support Women for Women International’s work with the most socially-excluded women survivors of war in countries affected by conflict, helping them to become successful entrepreneurs and inspire hope for the future.



## Our Philanthropy (Cont.)

### VERSACE PHILANTHROPY

Over the course of the brand's history, and led by the efforts of both Donatella and Gianni Versace, the company has supported a variety of philanthropic causes around the world, with a primary focus on the fight against AIDS.

Donatella Versace has been a longtime supporter and made significant contributions to amfAR, The Foundation for AIDS Research, one of the world's leading nonprofit organizations dedicated to the support of AIDS research, HIV prevention, treatment education and advocacy. She has been a partner of the Elton John AIDS Foundation for over 25 years, having collaborated with the foundation on a number of special projects to raise funds in support of the foundation's charitable work. Donatella Versace also has a long-standing relationship with, and commitment to, Convivio, Italy's largest fundraising event for AIDS that Gianni, together with other fashion designers, personally established in 1992. Through the years, the Versace brand has continued to partner with this charitable organization by donating a significant selection of clothing and accessories from its collections to be sold at the bi-annual event with all proceeds donated to ANLAIDS, one of the largest Italian associations promoting HIV protection, prevention and research. Within the United States, Versace has collaborated with the Council of Fashion Designers of America and Vogue to raise money for the New York City AIDS Fund.



Versace is also a supporter of the One Foundation, a Chinese non-governmental organization focused on disaster relief, children's welfare, training of public welfare professionals and funding grassroots charities. Following the devastating earthquake in China's Sichuan Province, Versace made a direct donation to open the first Versace/One Foundation Children's Centre in San Jiang, and hosted the Versace/One Charity Gala, featuring the brand's first official fashion show in China along with a charity fundraiser to support the One Foundation. Versace additionally opened the second One Foundation center in China, in Shuimo, Wenchuan County, Sichuan, to provide additional post-trauma relief support for the earthquake victims.

Versace is proud of its long-standing commitment to supporting those in need and will continue to give back through new philanthropic partnerships and initiatives.

## Our Philanthropy (Cont.)

### CORPORATE GIVING PROGRAM

Our employees play a meaningful role in advancing our purpose and delivering on our corporate social responsibility commitments, particularly in the area of philanthropy. The company is exploring a new payroll giving program, which would offer eligible employees across its brands the opportunity to make regular donations from their pay to select charitable partners supported by Capri.

Our corporate giving efforts increase during times of disaster, when we donate directly to organizations working on the ground to support affected communities. We partner with organizations like the Red Cross to help fund immediate and long-term relief and rebuilding efforts across the globe. For example, the company made donations in support of recovery work undertaken by the American Red Cross after Hurricane Harvey in 2017, and to the Australian Red Cross in support of those affected by the country's catastrophic bushfires in 2020.



More recently, on April 1, 2020, Capri Holdings announced that its collective brands and founders donated more than \$3 million in support of their commitment to help our communities fight the COVID-19 global pandemic.

The Michael Kors brand, together with Mr. Michael Kors and John Idol, donated a total of \$2 million to support relief efforts in New York City by making donations to two of New York City's largest hospital systems, NYU Langone Health and New York-Presbyterian Hospital, and by supporting God's Love We Deliver and A Common Thread, the CFDA/Vogue Fashion Fund's initiative for COVID-19 Relief.

The Versace brand donated a total of \$500,000 to support local relief efforts in Milan for the benefit of San Raffaele Hospital and Camera Nazionale Della Moda Italiana. This is in addition to Versace's donation in February 2020 of ¥1 million in support of the Chinese Red Cross, and Ms. Donatella Versace and Allegra Versace's combined personal donation of €200,000 to the intensive care unit of San Raffaele hospital in Milan.

The Jimmy Choo brand donated \$500,000 to support relief efforts both in the brand's home country of the United Kingdom and also globally through the National Health Service COVID-19 Urgent Appeal by NHS Charities Together and the World Health Organization's COVID-19 Solidarity Response Fund.

## Our Philanthropy (Cont.)

### COMMUNITY OUTREACH

We encourage our employees to join Capri in our fight against hunger, commitment to gender equality, support of AIDS research and other philanthropic initiatives supported by Capri, including by volunteering with charitable partners in their communities focused on these causes.

Our brands also support local charitable organizations through philanthropic initiatives at our retail stores, including through food and toy drives, and donation events. A portion of sales made during each donation event are provided to charitable organizations working on behalf of causes important to the local community, such as health research, children and family support, education and culture conservation. We are proud of our employees' and customers' dedication to supporting those in need.





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## CORPORATE SOCIAL RESPONSIBILITY HIGHLIGHTS

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### CAPRI ACHIEVES

UN Global Compact Signatory

100% traceability of finished goods suppliers

AAFA's Commitment to Responsible Recruitment Signatory

Signatory of Fashion Pact at G7 Summit

Best Employer for Diversity by *Forbes*

UN Women's Empowerment Principles Signatory

Gender Parity achieved on Board of Directors

### CAPRI ASPIRES

100% carbon neutral in direct operations by 2025

100% renewable energy in direct operations by 2025

Plastic in packaging must be recyclable, compostable, recycled or reusable by 2025

100% recyclable or sustainably sourced POS packaging by 2025

10% reduction in key suppliers' water use by 2025

95% traceability of suppliers by 2025, and of raw materials by 2030

95% of leather from certified tanneries by 2025

Establish supply chain empowerment program by 2025

Zero hazardous chemicals in supply chain by 2025

### CAPRI ANNOUNCES

Partnerships with key industry and sustainability organizations

Will commit to set science-based emissions reduction targets for operations and supply chain

Enhanced leadership programs for corporate and field management employees

New global learning management system and trainings for retail associates

Global D&I Council established

All employees to receive unconscious bias training in Fiscal Year 2021

Will submit Human Rights Campaign's Corporate Equality Index survey

*Thrive* wellness program being extended to all brands and regions

## About This Report

This Corporate Responsibility Report illustrates how Capri Holdings' current business activities make an impact on the world and its resources, and highlights opportunities for heightened engagement by our teams around these issues. We intend to publish periodic, comprehensive updates to this Report, highlighting progress made toward our goals.

The boundaries of this Report vary from section to section, and are a function of the accessibility of relevant data. This Report and the data contained herein covers Capri Holdings as a whole, however, certain information may be brand specific and will be designated as such. Throughout this Report, references to "Capri Holdings," "Capri," "ourselves," "we," "our," "us," and "the Company" refer to Capri Holdings Limited and its consolidated subsidiaries, unless the context indicates otherwise. We utilize a 52- to 53-week fiscal year ending on the Saturday closest to March 31. All references to Fiscal Year 2019 (FY19) represent the fiscal year ended March 30, 2019; references to Fiscal Year 2020 (FY20) represent the fiscal year ended March 28, 2020; references to Fiscal Year 2021 (FY21) represent the fiscal year ending March 27, 2021.

The information contained in this Report is subject to the precision of our data collection and analysis methods. While we consider information from external resources and consultants to be reliable, we do not assume responsibility for its accuracy. Additionally, all numbers referenced are subject to the quality and comprehensiveness of the reporting received by the Company from internal and external sources and therefore are approximate and/or estimated values. This Report is not externally assured.

This Report is supported by our April 2020 SASB Supplement (incorporated herein and considered a part of this Report), which measures our progress and approach to reporting against the guidance set by the Sustainability Accounting Standards Board index for the Apparel, Accessories, and Footwear Industry. The April 2020 SASB Supplement is available for download on [www.capriholdings.com/CSR](http://www.capriholdings.com/CSR).

For additional information on Capri Holdings, including our Annual Report on Form 10-K and governance documents, please visit our website: [www.capriholdings.com](http://www.capriholdings.com).

Questions regarding this Report or Capri's corporate social responsibility program should be directed to [CSR@CapriHoldings.com](mailto:CSR@CapriHoldings.com).

This Report, inclusive of its SASB Supplement, contains statements which are, or may be deemed to be, "forward-looking statements." Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of the Company about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. All statements other than statements of historical facts included in this Report may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "should", "could", "would", "may", "anticipates", "estimates", "goal", "strategy", or "might" or, words or terms of similar substance or the negative thereof, are forward-looking statements. These forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions, which could cause actual results to differ materially from those projected or implied in any forward-looking statements. These risks, uncertainties and other factors include those risks set forth in the reports that the Company files from time to time with the U.S. Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the fiscal year ended March 30, 2019 (File No. 001-35368) and Quarterly Report on Form 10-Q for the fiscal quarter ended December 28, 2019 (File No. 001-35368). The Company disclaims any obligation to update or revise any forward-looking or other statements contained herein other than in accordance with legal and regulatory obligations.





# CAPRI

HOLDINGS LIMITED

VERSACE

JIMMY CHOO

MICHAEL KORS