CDP 2016 Water 2016 Information Request - PVH Corp

Internal Notes for Reviewing this CDP Climate Change Questionnaire Draft:

- There is a significant amount of content that is **repurposed from the 2016 CDP submission and the Annual Report (AR),** as well as the latest CR report draft (where content was not available to pull from the AR.
- New content is **highlighted in yellow** for quick review.
- **Format note** – this document is for internal review purposes only. The **final content will be completed through an online form.**
- **Content notes** – It is **important to repeat** several the same points through the survey response **to score well** and there are many responses that can only be completed with drop down menu options. This submission is based on **activities in 2016**.

Color Key:

- **New Content**
- **Recycled Content from CDP 2015 Submission**

Introduction

W.1 - Introduction
Please give a general description and introduction to your organization.

PVH Corp. (“PVH”, the “Company,” “we,” “us” or “our”) made several acquisitions over a decade that have redefined the identity, performance and long-term growth potential of the Company – first with the successful acquisition of the Calvin Klein business in 2003, seven years later with the addition of the Tommy Hilfiger business, and shortly thereafter with the acquisition of The Warnaco Group, Inc. (“Warnaco”). Through these transformative acquisitions, we have secured our position as one of the largest branded lifestyle apparel companies in the world, with a diversified portfolio of iconic lifestyle apparel brands, led by Calvin Klein and Tommy Hilfiger. Together, these two brands represent over 80% of our business and are expected to continue to drive future revenue and profitability growth.

PVH has evolved from its 1881 roots to become a diversified global Company with over $8 billion in 2016 revenues through a combination of strategic acquisitions and by successfully growing our brands globally across the wholesale, retail, e-commerce and licensing channels. We have transformed from a primarily North American menswear business to a global organization with significant operations in North America, Europe, Asia and Latin America, with Asia and Latin America now accounting for over 20% of our operating income. We have approximately 35,000 associates operating across 48 countries and speaking 20 languages.

At PVH, doing the right thing is central to how we conduct business. As one of the largest global apparel companies, we continue to operate under our core business principles, guided by our values and committed to addressing social and environmental issues, with a focus on those that matter most to us, our 35,000 associates worldwide, our other stakeholders, and the apparel industry. In particular, we aim to drive positive impacts throughout our value chain – from Source to Store – empowering people, preserving the environment and supporting the communities where we work and live.

W.2- Reporting year

Please state the start and end date of the year for which you are reporting data.

Period for which data is reported
01 Feb 2016 - 31 Jan 2017

W.3 - Reporting boundary

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.
Companies, entities or groups over which operational control is exercised

W.4 - Exclusions

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?
No

W1.1

Please rate the importance (current and future) of water quality and water quantity to the success of your organization

Water quality and quantity	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Neutral	Important	Direct: PVH uses municipal water in our worldwide stores, offices, warehouses, distribution centers and factory and is thus not water-intensive across owned & operated facilities. Water use is limited to cleaning, maintenance activities, and personal consumption by employees. Indirect: Freshwater availability is important to PVH because it is a critical resource to grow cotton and produce other raw material inputs (leather, polyester). It is also vital for garment wet processing (i.e. dyeing, washing and finishing). Freshwater is also critical for the health and hygiene of communities in which we operate. PVH initiated a water risk assessment in 2016, in partnership with the World Wildlife Fund (WWF). Through the assessment, we found that 28% of Level 1 and 2* facilities reviewed have a high to very high water risk of pollution, and an additional 14% are at medium risk for water pollution. * Definitions Level 1: Assembly and finishing factories, product manufacturing units (cut/sew, on-site embroidery, packing), vertically integrated factories. Level 2: Raw material suppliers, wet processing units, fabric mills (weavers/knitters), (dye houses, printers, laundry/ wash/finishing units), trim suppliers, embroidery units, converters/agents, molders, and tanneries Level 3: Commodity sources and processing units for Level 2 suppliers, cotton, polyester, leather, metals, paper, plastics, ginners, spinning mills.
Sufficient amounts of recycled, brackish and/or produced water available for use	Neutral	Important	Direct: PVH's direct operations are not water-intensive, but recycled water could potentially be used in offices, stores, warehouses, and distribution centers for example if PVH were to implement rainwater harvesting as a best practice solution. Indirect: Upstream, producers of textiles could integrate recycled water into certain wet processes (i.e. dyeing, washing and finishing) to reduce pressure on local water basins and alleviate water scarcity. PVH initiated a water risk assessment in 2016, in partnership with the WWF. Through the assessment, we found that 67% of Level 1 and 2 facilities reviewed have a high to very high water risk of scarcity, and an additional 28% are at a medium risk for water scarcity.

W1.2 - For your total operations, please detail which of the following water aspects are regularly measured and monitored and provide an explanation as to why or why not

Water aspect	% of sites/facilities/operations	Please explain
Water withdrawals-total volumes	76-100	PVH calculates a water footprint for all owned and operated facilities annually. This includes water consumption across our worldwide stores, offices, warehouses, distribution centers and factory from 93 PVH facilities globally. Where water consumption data is unavailable due to metering or billing barriers, PVH models water consumption using the average intensity based on primary data collected from our facilities.
Water withdrawals-volume by sources		Due to the nature of PVH's direct operations, water withdrawal sources were not relevant to our business in 2016.
Water discharges-total volumes		Due to the nature of PVH's direct operations, water discharges were not relevant to our business in 2016.
Water discharges-volume by destination		Due to the nature of PVH's direct operations, water discharges were not relevant to our business in 2016.
Water discharges-volume by treatment method		Due to the nature of PVH's direct operations, water discharges were not relevant to our business in 2016.
Water discharge quality data- quality by standard effluent parameters		Due to the nature of PVH's direct operations, water discharges were not relevant to our business in 2016.
Water consumption-total volume	76-100	PVH calculates a water footprint for all owned and operated facilities annually. This includes water consumption across our worldwide stores, offices, warehouses, distribution centers and factory from 93 PVH facilities globally. Where water consumption data is unavailable due to metering or billing barriers, PVH models water consumption using the average intensity based on primary data collected from our facilities.
Facilities providing fully-functioning WASH services for all workers		This category is relevant, but sufficient data was not available for 2016.

W1.2a

Water withdrawals: for the reporting year, please provide total water withdrawal data by source, across your operations

Source	Quantity (megaliters/year)	How does total water withdrawals for this source compare to the last reporting year?	Comment
Fresh surface water		Not applicable	
Brackish surface water/seawater		Not applicable	
Rainwater		Not applicable	
Groundwater - renewable		Not applicable	
Groundwater - non-renewable		Not applicable	
Produced/process water		Not applicable	
Municipal supply	201,782	Compared to last year, there	The numbers reported reflect municipal

Source	Quantity (megaliters/year)	How does total water withdrawals for this source compare to the last reporting year?	Comment
		was a reduction of 141,901 megaliters, from 343,683 megaliters, an approximately 41% decrease.	water use across PVH's owned and operated footprint, which includes stores, offices, warehouses, distribution centers and a factory. 93 of these facilities disclosed water data from utility bills, and the remainder of the footprint was estimated using the average water intensity of the facilities that disclosed.
Wastewater from another organization		Not applicable	
Total	201,782	Compared to last year, there was a reduction of 141,901 megaliters, from 343,683 megaliters, an approximately 41% decrease.	The numbers reported reflect municipal water use across PVH's owned and operated footprint, which includes stores, offices, warehouses, distribution centers and a factory. 93 of these facilities disclosed water data from utility bills, and the remainder of the footprint was estimated using the average water intensity of the facilities that disclosed.

W1.2b Water discharges: for the reporting year, please provide total water discharge data by destination, across your operations

Destination	Quantity (megaliters/year)	How does total water discharged to this destination compare to the last reporting year?	Comment
Fresh surface water		Not applicable	
Brackish surface water/seawater		Not applicable	
Groundwater		Not applicable	
Municipal/industrial wastewater treatment plant		Not applicable	
Wastewater for another organization		Not applicable	
Total		Not applicable	

W1.2c

Water consumption: for the reporting year, please provide total water consumption data, across your operations

Consumption (megaliters/year)	How does this consumption figure compare to the last reporting year?	Comment
201,782	Compared to last year, there was a reduction of 141,901 megaliters, from 343,683 megaliters, approximately a 41% decrease.	The numbers reported reflect municipal water use across PVH's owned and operated footprint, which includes stores, offices, warehouses, distribution centers and a factory. 93 of these facilities disclosed water data from utility bills, and the remainder of the footprint was estimated using the average water intensity of the facilities that disclosed.

W1.3

Do you request your suppliers to report on their water use, risks and/or management
Yes

W1.3a

Please provide the proportion of suppliers you request to report on their water use, risks and/or management and the proportion of your procurement spend this represents

Proportion of suppliers %	Total procurement spend %	Rationale for this coverage
76-100	76-100	For Level 1 Suppliers, PVH conducts factory assessments, which include questions about water consumption tracking, wastewater treatment, domestic water consumption and storm water. In addition to this assessment, PVH and its brands have engaged specific suppliers around a variety of water initiatives, including • The Sustainable Apparel Coalition (SAC) Higg Verification Pilot • Tommy Hilfiger's partnership with WWF, including the Taihu and Mekong Water Stewardship Collective Action Program • The Solidaridad Better Mills Initiative Fabric Mill Improvement Program in China • The Lower Impact Denim Finishing program with key denim laundries, in Turkey and Tunisia. In 2016, PVH also prepared to collect water consumption data for a targeted set of strategic Level 1 and Level 2 suppliers through the rollout of the SAC's Higg Index Facility Environmental Module (FEM). In the years to come, PVH will collect suppliers' water use data through the Higg Index FEM data and further structure our water strategy to address water use at the facility level.

W1.4

Has your organization experienced any detrimental impacts related to water in the reporting year?
No

Page: W2. Procedures and Requirements

W2.1

Does your organization undertake a water-related risk assessment?
Water risks are assessed

W2.2

Please select the options that best describe your procedures with regard to assessing water risks

Risk assessment procedure	Coverage	Scale	Please explain
Water risk assessment undertaken independently of other risk assessments	Supply chain	Some suppliers	PVH initiated a water risk assessment that accounted for approximately 90% of all Level 1 suppliers and strategic Level 2 suppliers. PVH collected the exact location of the supplier and every facility that the supplier operates, along with associated production volumes to determine our footprint for the risk assessment. All locations were then uploaded onto the WWF's Water Risk Filter. Through over 25 criteria provided by the Water Risk Filter, determinations were made on each facility's water risk based on calculations of physical, regulatory and reputational risk. WWF also took into account PVH's go forward supply chain strategy. The result of WWF's water risk work included assessments of 1) PVH's current high risk water basin based on 2016 production and 2) Projected production shifts and growth looking toward 2020.

W2.3

Please state how frequently you undertake water risk assessments, what geographical scale and how far into the future you consider risks for each assessment

Frequency	Geographic scale	How far into the future are risks considered?	Comment
Every two to five years	Facility	Over the next 5 years	The water risk assessment was conducted at a facility level of our suppliers (Level 1 and 2). The WWF Water Risk Filter took into account global business growth and local community growth. The assessment and water risk projections therefore has an outlook through 2022.

W2.4

Have you evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy?

Yes, evaluated over the next 5 years

W2.4a

Please explain how your organization evaluated the effects of water risks on the success (viability, constraints) of your organization's growth strategy?

PVH conducted a water risk assessment of approximately 90% of its Level 1 and strategic Level 2 (mills, trims, laundries, tanneries) supply base using the WWF Water Risk Filter. The assessment took into account business volumes, number of suppliers, and local water risks. The results highlighted the high-risk river basins and are being used to inform PVH's global water strategy. The analysis was run with data from 2015 and 2016, along with supply chain projections for 2020. PVH expanded upon the WWF analysis conducted for Tommy Hilfiger in 2013 and 2015.

W2.5 Please state the methods used to assess water risks

Method	Please explain how these methods are used in your risk assessment
WWF-DEG Water Risk Filter	Building off of the Tommy Hilfiger data collected in 2015, PVH collected the additional locations of the brand's suppliers and the facilities in which they operate, accounting for approximately 90% of all of PVH's Level 1 suppliers, along with strategic Level 2 suppliers. After the locations were identified, and the product volumes and values were determined, the information was uploaded into the WWF Water Risk Filter tool to determine the high water risk locations for areas that PVH supplies from. The locations with the highest cumulative physical, regulatory, and reputational risk that are in areas where PVH's production volumes and costs are highest have been determined as high priority areas for the business's future water strategy.

W2.6

Which of the following contextual issues are always factored into your organization's water risk assessments?

Issues	Choose option	Please explain
Current water availability and quality parameters at a local level	Relevant, included	Availability and quality of fresh water is crucial to our suppliers and is utilized as a criteria to determine the level of risk associated with PVH suppliers. This data is captured by the WWF's Water Risk Filter's Basin/Company risk indicator 1-8.
Current water regulatory frameworks and tariffs at a local level	Relevant, included	Strong regulatory environment is a prerequisite to good water management and allocation across different stakeholders, including communities, agriculture, businesses, and nature. PVH has a working relationship with many of the governments in countries where the company's suppliers are located, that allows the company to work with the appropriate channels to ensure progress in regions with high regulatory risks. This data is captured by the WWF's Water Risk Filter's Basin risk indicator 11 to 17 and Company risk indicator 13 to 15.

Issues	Choose option	Please explain
Current stakeholder conflicts concerning water resources at a local level	Relevant, included	Our water stewardship approach is based on direct collaboration between relevant stakeholders at a local level, and understanding conflicts is therefore important. Through local governments and international development organizations, PVH is working to collectively address local concerns. This data is captured by the WWF's Water Risk Filter's Company risk indicator 21.
Current implications of water on your key commodities/raw materials	Relevant, included	Understanding water related risks to the production of key raw materials, such as water-intensive cotton growing is important to predict future production challenges. Water-intensive commodities are part of PVH's environmental commitments and are taken into account in the water strategy.
Current status of ecosystems and habitats at a local level	Relevant, included	Understanding the impact on and status of our value chain on ecosystems gives us insight into how sustainable our products and processes are. This data is captured by the WWF's Water Risk Filter's Basin risk indicator 9 to 12.
Current river basin management plans	Relevant, not included	Understanding current river basin management plans is critical for determining our level of involvement or need for intervention. After assessing or supply chains high water risk locations, that includes regulatory.
Current access to fully-functioning WASH services for all employees	Relevant, not included	WASH activities are increasingly becoming common practice in our industry and many apparel companies are aligning their goals with the United Nations (UN) Sustainable Development Goals. WASH activities are also being considered as we develop our future, global water strategy.
Estimates of future changes in water availability at a local level	Relevant, included	Availability and quality of fresh water is crucial to our suppliers and is utilized as criteria to determine the level of risk associated with PVH suppliers. Understanding the likelihood of future challenges as well as the role of climate change and other factors assist in determining the water availability at a local level. This data is captured by the WWF's Water Risk Filter's Company risk indicator 2.
Estimates of future potential regulatory changes at a local level	Relevant, included	Together with key partners, such as WWF, we try to be prepared for further regulation of water resources. This data is captured by the WWF's Water Risk Filter's Company risk indicator 15.
Estimates of future potential stakeholder conflicts at a local level	Relevant, not included	Understanding the likelihood of future potential stakeholder conflicts at a local level will be critical for the operations of us and suppliers, especially in areas where there is conflict that could disrupt or alter production.
Estimates of future implications of water on your key commodities/raw materials	Relevant, not included	Estimates of future implications of water on our key commodities is essential, as PVH uses 1% of the world's cotton. Understanding the impacts of water availability's effects on cotton production will be critical for our business.
Estimates of future potential changes in the status of ecosystems and habitats at a local level	Relevant, not included	Understanding the future impacts of our value chain on ecosystems gives us insight into the environmental footprint of products and processes, and how to improve and adapt such products and processes based on future predictions.
Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level	Relevant, included	An overview of likely future quantity and quality risks (likelihood and intensity) is important to understand future challenges around water and to identify key geographies for focused deep dive assessments. Deep dive assessments look into future trends and approaches to mitigation in specific high water risk locations. Quantity and quality are key indicators for supplier operational performance and risk. This data is captured by the WWF's Water Risk Filter's Company risk indicator 25.
Scenario analysis of regulatory and/or tariff changes at a local level	Relevant, included	An overview of likely future regulatory risk (likelihood and intensity) is important to understand future challenges around water and to identify key geographies for focused deep dive assessments. Deep dive assessments look into future trends and approaches to mitigation in specific high water risk locations. Regulatory change affects supplier operations as well as affecting local basin dynamics. This data is captured by the WWF's Water Risk Filter's Company risk indicator 25.
Scenario analysis of stakeholder conflicts concerning water	Relevant, included	An overview of likely future stakeholder conflicts and reputational challenges (likelihood and intensity) are important to understand future challenges around water and to identify key geographies for focused

Issues	Choose option	Please explain
resources at a local level		deep dive assessments. Deep dive assessments look into future trends and approaches to mitigation in specific high water risk locations. Stakeholder conflict and reputational issues are likely to adversely affect social license to operate and operational security for supplier sites in high water risk locations, as well as effecting local basin dynamics. This data is captured by the WWF's Water Risk Filter's Company risk indicator 25.
Scenario analysis of implications of water on your key commodities/raw materials	Relevant, included	Overall assessment of raw materials, sourcing locations and risk in those geographies allows for targeted mitigation strategy and understanding of potential future vulnerabilities of supply. This data is captured by the WWF's Risk Filter's Company risk indicator 25.
Scenario analysis of potential changes in the status of ecosystems and habitats at a local level	Relevant, included	An overview of likely future biodiversity impacts (likelihood and intensity) is important to understand future challenges around water and to identify key geographies for focused deep dive assessments. Deep dive assessments look into future trends and approaches to mitigation in specific high water risk locations. Biodiversity impacts are connected to long term water security, economic development and livelihoods in key local basins. This data is captured by the WWF's Water Risk Filter's Company risk indicator 25.
Other		Other basin and company risk indicators are incorporated from WWF's Water Risk Filter tool.

W2.7 - Which of the following stakeholders are always factored into your organization's water risk assessments?

Stakeholder	Choose option	Please explain
Customers	Relevant, not included	In in the future, customer use will be taken into consideration.
Employees	Not relevant, explanation provided	The water risk assessment did not include operations, so PVH employees were not included in the assessment.
Investors	Relevant, not included	We understand that water related risks for the industry are increasingly becoming a concern for our business and our investors. We will take this into consideration as we create a broader, global water strategy.
Local communities	Relevant, included	Local communities are critical stakeholders as key water users. We believe it is important to identify local uses of specific water basins and then engage relevant, local community members. We have engaged local communities through our work with WWF's Taihu and Mekong Water Stewardship Collective Action Programs, and we are beginning to do so in other sourcing communities, such as Hawassa, Ethiopia.
NGOs	Relevant, included	The perspectives of NGOs that represent local environmental interests and the individuals in water catchment areas are taken into account. Working with WWF and the UN CEO Water Mandate provides critical data that informs our global water strategy.
Other water users at a local level	Relevant, included	Understanding other key water users, (e.g. municipal water supply, power companies, other industries, and agriculture) is important to jointly identify meaningful solutions in water stressed areas. In our initial work in Ethiopia, we have begun planning multi-stakeholder forums that include other commercial stakeholders such as the local hotel and beverage industry, to work collectively on water preservation.
Regulators	Relevant, included	We aim to work together with the regulators on better water management, particularly in the focus regions of our global water strategy. For example, through our work in the Taihu Basin (part of Yangtze River) we work collaboratively with regulators and industrial park owners on wastewater efforts.
River basin management authorities	Relevant, included	As we roll out our water strategy, we aim to work with the river basin management authorities to implement water management best

Stakeholder	Choose option	Please explain
		practices.
Statutory special interest groups at a local level	Relevant, included	In the focus regions of our water strategy, special interest groups are mapped amongst other key stakeholders and are included in collaborative programs whenever relevant and possible.
Suppliers	Relevant, included	For our company, the largest water impacts and risks are related to our supply chain, and therefore we work closely with our suppliers to address water related issues.
Water utilities/suppliers at a local level	Relevant, included	In the focus regions of our water strategy, water utilities are mapped amongst other key stakeholders and are included in collaborative programs whenever relevant and possible.
Other		

Page: W3. Water Risks

W3.1

Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?
Yes, direct operations and supply chain

W3.2

Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk
PVH's Enterprise Risk Management (ERM) process identifies risks most material to the business. Risks are ranked based on likelihood and control comfort. Sourcing risk, identified as a top risk through the ERM process, includes the potential for natural disasters (e.g. floods, droughts), and volatile commodity costs, particularly in key sourcing countries.

In addition to PVH's ERM process, we undertook a water risk assessment t in 2016. Per WWF's Water Risk Filter tool, three types of risks are identified; physical risk, reputational risk, and regulatory risk. Physical risk is defined as water quantity (e.g. scarcity, flooding, droughts) and quality (pollution) within the river basin and the impacts this might have on society and the environment. Regulatory risk is defined as the strength and enforcement of water regulations and the consequences of restrictions by public institutions; either felt through direct regulatory action or from neglect, blockages, or failure. Reputational risk is defined as perceptions around water use, pollution, and behavior that may have negative impacts on the company brand and influence purchasing decisions. Public perceptions can emerge rapidly when local aquatic systems and community access to water are affected. Substantive change is defined as changes in availability, continuity, price, quality, delivery time and reliability of the supply base or the public opinion that impacts sourcing performance, sourcing strategy and/or the company reputation.

W3.2a

Please provide the number of facilities* per river basin exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure and the proportion this represents of total operations company-wide

Country	River basin	Number of facilities exposed to water risk	Proportion of total operations (%)	Comment
Bangladesh	Bangladesh (Other)	25		This data refers to the initial supplier information gathered in PVH's water risk assessment. The assessment indicated that 96% of all factories reviewed globally are subject to water risk. Additionally, 66% of our supply chain is at medium risk and 30% is in areas of high or very high-risk (based on the combined physical, reputational, and regulatory risk).

Country	River basin	Number of facilities exposed to water risk	Proportion of total operations (%)	Comment
Bangladesh	Ganges	48		Same content as above
Brazil	Brazil (Other)	20		Same content as above
Bulgaria	Bulgaria (Other)	3		Same content as above
China	Amur	1		Same content as above
China	China (Other)	185		Same content as above
China	Huang He (Yellow River)	6		Same content as above
China	Indus	3		Same content as above
China	Liao He	1		Same content as above
China	Yangtze River (Chang Jiang)	127		Same content as above
China	Yongding He	8		Same content as above
Dominican Republic	Dominican Republic (Other)	1		Same content as above
Egypt	Egypt (Other)	5		Same content as above
Egypt	Nile	6		Same content as above
Haiti	Haiti (Other)	1		Same content as above
India	Cauvery River	47		Same content as above
India	Ganges	55		Same content as above
India	Godavari	3		Same content as above
India	India (Other)	65		Same content as above
India	Indus	11		Same content as above
India	Krishna	4		Same content as above
Indonesia	Indonesia (Other)	45		Same content as above
Indonesia	Solo (Bengawan Solo)	7		Same content as above
Israel	Israel (Other)	1		Same content as above
Italy	Italy (Other)	2		Same content as above
Jordan	Dead Sea	2		Same content as above
Kenya	Galana	2		Same content as above
Kenya	Kenya (Other)	2		Same content as above
Mexico	Bravo	3		Same content as above
Mexico	Colorado River (Pacific Ocean)	1		Same content as above
Mexico	Mexico (Other)	2		Same content as above
Mexico	Panuco	2		Same content as above
Mexico	Santiago	3		Same content as above
Morocco	Morocco (Other)	1		Same content as above
Morocco	Sebou	1		Same content as above
Nicaragua	San Juan	1		Same content as above
Pakistan	Indus	11		Same content as above
Pakistan	Pakistan (Other)	7		Same content as above
Peru	Peru (Other)	1		Same content as above
Philippines	Philippines	5		Same content as above

Country	River basin	Number of facilities exposed to water risk	Proportion of total operations (%)	Comment
	(Other)			
Portugal	Portugal (Other)	7		Same content as above
Spain	Spain (Other)	2		Same content as above
Spain	Tejo	1		Same content as above
Sri Lanka	Sri Lanka (Other)	61		Same content as above
Thailand	Chao Phraya	15		Same content as above
Thailand	Thailand (Other)	2		Same content as above
Tunisia	Tunisia (Other)	23		Same content as above
Turkey	Kizilirmak	3		Same content as above
Turkey	Sakarya	8		Same content as above
Turkey	Turkey (Other)	137		Same content as above
United Arab Emirates	United Arab Emirates (Other)	2		Same content as above
United States of America	Colorado River (Pacific Ocean)	1		Same content as above
United States of America	United States Of America (Other)	6		Same content as above
Viet Nam	Hong(Red River)	15		Same content as above
Viet Nam	Viet Nam (Other)	2		Same content as above

W3.2b

Please provide the proportion of financial value that could be affected at river basin level associated with the facilities listed in

Country	River basin	Financial reporting metric	Proportion of chosen metric that could be affected within the river basin	Comment
Bangladesh	Bangladesh (Other)			This data refers to the initial supplier information gathered in PVH's water risk assessment. The assessment indicated that 96% of all factories reviewed globally are subject to water risk. Additionally, 66% of our supply chain is at medium risk and 30% is in areas of high or very high-risk (based on the combined physical, reputational, and regulatory risk).
Bangladesh	Ganges			Same content as above
Brazil	Brazil (Other)			Same content as above
Bulgaria	Bulgaria (Other)			Same content as above
China	Amur			Same content as above
China	China (Other)			Same content as above

Country	River basin	Financial reporting metric	Proportion of chosen metric that could be affected within the river basin	Comment
China	Huang He (Yellow River)			Same content as above
China	Indus			Same content as above
China	Liao He			Same content as above
China	Yangtze River (Chang Jiang)			Same content as above
China	Yongding He			Same content as above
Dominican Republic	Dominican Republic (Other)			Same content as above
Egypt	Egypt (Other)			Same content as above
Egypt	Nile			Same content as above
Haiti	Haiti (Other)			Same content as above
India	Cauvery River			Same content as above
India	Ganges			Same content as above
India	Godavari			Same content as above
India	India (Other)			Same content as above
India	Indus			Same content as above
India	Krishna			Same content as above
Indonesia	Indonesia (Other)			Same content as above
Indonesia	Solo (Bengawan Solo)			Same content as above
Israel	Israel (Other)			Same content as above
Italy	Italy (Other)			Same content as above
Jordan	Dead Sea			Same content as above
Kenya	Galana			Same content as above
Kenya	Kenya (Other)			Same content as above
Mexico	Bravo			Same content as above
Mexico	Colorado River (Pacific Ocean)			Same content as above
Mexico	Mexico (Other)			Same content as above
Mexico	Panuco			Same content as above
Mexico	Santiago			Same content as above
Morocco	Morocco (Other)			Same content as above
Morocco	Sebou			Same content as above
Nicaragua	San Juan			Same content as above
Pakistan	Indus			Same content as above
Pakistan	Pakistan (Other)			Same content as above
Peru	Peru (Other)			Same content as above
Philippines	Philippines (Other)			Same content as above

Country	River basin	Financial reporting metric	Proportion of chosen metric that could be affected within the river basin	Comment
Portugal	Portugal (Other)			Same content as above
Spain	Spain (Other)			Same content as above
Spain	Tejo			Same content as above
Sri Lanka	Sri Lanka (Other)			Same content as above
Thailand	Chao Phraya			Same content as above
Thailand	Thailand (Other)			Same content as above
Tunisia	Tunisia (Other)			Same content as above
Turkey	Kizilirmak			Same content as above
Turkey	Sakarya			Same content as above
Turkey	Turkey (Other)			Same content as above
United Arab Emirates	United Arab Emirates (Other)			Same content as above
United States of America	Colorado River (Pacific Ocean)			Same content as above
United States of America	United States Of America (Other)			Same content as above
Viet Nam	Hong(Red River)			Same content as above
Viet Nam	Viet Nam (Other)			Same content as above

W3.2c

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
Ethiopia	Other: Hawassa	Physical-Increased water stress	Higher operating costs	PVH began production in Ethiopia starting in 2017. Conscious of the water scarcity risks in other parts of Ethiopia, in 2015, we engaged a respected independent geo-hydrologist to assess Hawassa Industrial Park (HIP) potential water impacts. Initial findings revealed that running fabric production operations on site will impact groundwater around the park and that measures should be taken to prevent contamination of water supplies with chemicals, which would otherwise reach groundwater level.	>6 years	Probable	Low-medium	Infrastructure investment Increased investment in new technology	Low-medium	PVH is considering water risks both inside and outside of HIP. PVH is partnering with the Ethiopian government and HIP tenants in the park to build a zero liquid discharge effluent treatment facility that recycles up to 90% of the wastewater produced in the park, thereby preserving and protecting the community's water supply. Beyond this, we are initiating dialogues to address local water issues by with the local community, civil society organizations, private companies and the government to cohesively embark on a collective action water stewardship project in Hawassa.
Ethiopia	Hawassa	Regulator-Regulatory uncertainty	Supply chain disruption	WWF's water risk assessment determined that there is a high regulatory risk in Ethiopia. As PVH shifts production to Ethiopia, the lack of water governance could impede local production.	>6 years	Probable	Low-medium	Stakeholder working groups	Low-medium	PVH initiated a strategic collaboration with Deutsche Gesellschaft für Internationale Zusammenarbeit's International Water Stewardship Programme to host a future, multi-stakeholder workshop on collective action and integrated water resource management. This workshop will inform further water stewardship work around Lake Hawassa, Ethiopia.

W3.2d

Please list the inherent water risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
Bangladesh	Ganges	Physical-Increased water stress	Supply chain disruption	Over pumping of the Ganges is directly impacting the water resources available for local communities and industry.	>6 years	Probable	Low-medium	Other: Engagement with suppliers, NGOs, communities and policy makers	Low-medium	WWF's water risk assessment identified priority regions for PVH to focus our collective action water stewardship initiatives based on the level of risk defined by the WWF's Water Risk Filter tool and the volumes and values of goods produced by PVH. Moving forward, PVH will further review these priority locations and identify initiatives and partnerships where appropriate.
China	Yangtze River (Chang Jiang)	Regulatory-Regulatory uncertainty	Supply chain disruption	Water risk has led the Chinese government to set targets around water efficiency and pollution management. It is uncertain how these targets will be achieved and how they may affect the apparel industry. Ultimately, they could	>6 years	Probable	Low-medium	Other: Engagement with suppliers, NGOs, communities and policy makers	Low-medium	PVH is committed to working with its suppliers and other stakeholders to preserve water resources in communities where we work and live, particularly in high-risk river basins in those areas. Tommy Hilfiger's work with WWF on the Taihu Water Stewardship Project continued in 2016 through participation in collective action that engaged among others, local Chinese government, CNTAC representatives, local NGOs, local suppliers etc. to promote better Taihu Basin governance model.

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				cause disruptions to PVH supplier operations.						The team is working collectively to reduce water risks for business, ecosystems and communities by raising awareness and improving knowledge of impact, promoting Industrial Park (IP) Water Stewardship, engaging in collective action in the Taihu Basin, and multiplying our impact through standardizing systems. In 2016, Tommy Hilfiger, in collaboration with other brands conducted a water training in Shanghai for upwards of 50 suppliers, engaged a new industrial park to join eco-IP program, and participated in the International Taihus Basin Forum.
China	Yangtze River (Chang Jiang)	Physical-Increased water stress	Supply chain disruption	Unmonitored industrial and agricultural processes which result in the discharge of pollution and effluent into local waterways have reduced	>6 years	Probable	Low-medium	Other: Engagement with suppliers, NGOs, communities and policy makers	Low-medium	PVH is committed to working with its suppliers and other stakeholders to preserve water resources in communities where we work and live, particularly in high-risk river basins in those areas. Tommy Hilfiger's work with WWF on the Taihu Water Stewardship Project continued in 2016 through participation in

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				availability of freshwater for suppliers and local communities.						collective action that engaged among others, local Chinese government, CNTAC representatives, local NGOs, local suppliers etc. to promote better Taihu Basin governance model. The team is working collectively to reduce water risks for business, ecosystems and communities by raising awareness and improving knowledge of impact, promoting IP Water Stewardship, engaging in collective action in the Taihu Basin, and multiplying our impact through standardizing systems.
India	Cauvery	Physical-Increased water stress	Supply chain disruption	The Cauvery Delta has experienced weather extremes from the effects of climate change. The increase in draughts and monsoons are devastating the local community	>6 years	Probable	Low-medium	Other: Engagement with suppliers, NGOs, communities and policy makers	Low-medium	WWF's water risk assessment identified priority regions for PVH to focus our collective action water stewardship initiatives based on the level of risk defined by the WWF's Water Risk Filter tool and the volumes and values of goods produced by PVH. Moving forward, PVH will further review these priority locations and determine initiatives where appropriate.

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				and aggravating local territorial disputes.						
Rest of world	Not known	Physical-Climate change	Higher operating costs	Rising temperature, increased instances of flooding and droughts may affect the quality, quantity and price of water and raw materials upon which PVH's products rely.	>6 years	Probable	Low-medium	Other: Sourcing higher volumes of environmentally sustainable materials	Low-medium	PVH is beginning to use inputs sourced from sustainable materials, including Better Cotton, which requires less water per hectare than traditional cotton. Sourcing sustainable materials helps mitigate risks associated with water and resource price volatility.

Page: W4. Water Opportunities

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?
Yes

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
Company-wide	Improved water efficiency	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of the water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate, recognizing that through individual and collective action we can identify and reduce short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment that PVH initiated in 2016 is informing the development of a global water strategy. Moving forward, our multi-year water strategy will focus across our operations, as well as water stewardship in strategic sourcing communities.	4-6 years	PVH initiated a water risk assessment in 2016, which is informing the development of a multi-year water strategy. The multi-year strategy incorporates goals and milestones that are forward thinking for the PVH business.
Company-wide	Increased brand value	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of the water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate, recognizing that through individual and collective action we can identify and reduce short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment that PVH initiated in 2016 is informing the development of a global water strategy. Moving forward, our multi-year water strategy will focus across our operations, as well as water stewardship in strategic sourcing communities.	4-6 years	PVH initiated a water risk assessment in 2016, which is informing the development of a multi-year water strategy. The multi-year strategy incorporates goals and milestones that are forward thinking for the PVH business.
Company-wide	Cost savings	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of the water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate, recognizing that through individual and collective action we can identify and reduce short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment	4-6 years	PVH initiated a water risk assessment in 2016, which is informing the development of a multi-year water strategy. The multi-year strategy incorporates goals and milestones that are forward thinking for the PVH business.

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
		that PVH initiated in 2016 is informing the development of a global water strategy. Moving forward, our multi-year water strategy will focus across our operations, as well as water stewardship in strategic sourcing communities.		

W5. Facility Level Water Accounting (I)

W5.1

Water withdrawals: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting year?	Please explain
Facility 1	Bangladesh	Other: Karnaphuli	Tier 2 Laundry & Washing	689,253	There was a 1% reduction from last year's data.	Facility 1 took part in our 2015 Higg verification pilot and continued to provide data for 2016. This data is separate from our WWF water risk assessment that determined the level of water risk associated with our suppliers' locations, and is captured in question W3.2a. As PVH rolls out the Higg Index FEM, we will collect and begin to analyze water use data from across our supply chain. This will allow PVH to determine a baseline and engage with suppliers to encourage reducing water use.

W5.1a

Water withdrawals: for the reporting year, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.1

Facility number	Fresh surface water	Brackish surface water/seawater	Rainwater	Groundwater (renewable)	Groundwater (non-renewable)	Produced/ process water	Municipal water	Wastewater from another organization	Comment
Facility 1	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Facility 1 took part in our 2015 Higg verification pilot and continued to provide data for 2016. This data is separate from our WWF water risk assessment that determined the level of water risk associated with our suppliers' locations,

Facility number	Fresh surface water	Brackish surface water/seawater	Rainwater	Groundwater (renewable)	Groundwater (non-renewable)	Produced/ process water	Municipal water	Wastewater from another organization	Comment
									and is captured in question W3.2a. As PVH rolls out the Higg Index FEM, we will collect and begin to analyze water use data from across our supply chain. This will allow PVH to determine a baseline and engage with suppliers to encourage reducing water use.

W5.2

Water discharge: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the water discharged at this facility compare to the last reporting year?	Please explain
Facility 1	Not available	Not available	Facility 1 took part in our 2015 Higg verification pilot and continued to provide data for 2016. This data is separate from our WWF water risk assessment that determined the level of water risk associated with our suppliers' locations, and is captured in question W3.2a. As PVH rolls out the Higg Index FEM, we will collect and begin to analyze water use data from across our supply chain. This will allow PVH to determine a baseline and engage with suppliers to encourage reducing water use.

W5.2a

Water discharge: for the reporting year, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.2

Facility reference number	Fresh surface water	Municipal/industrial wastewater treatment plant	Seawater	Groundwater	Wastewater for another organization	Comment
Facility 1	Not available	Not available	Not available	Not available	Not available	Facility 1 took part in our 2015 Higg verification pilot and continued to provide data for 2016. This data is separate from our WWF water risk assessment

Facility reference number	Fresh surface water	Municipal/industrial wastewater treatment plant	Seawater	Groundwater	Wastewater for another organization	Comment
						that determined the level of water risk associated with our suppliers' locations, and is captured in question W3.2a. As PVH rolls out the Higg Index FEM, we will collect and begin to analyze water use data from across our supply chain. This will allow PVH to determine a baseline and engage with suppliers to encourage reducing water use.

W5.3 Water consumption: for the reporting year, please provide water consumption data for all facilities reported in W3.2a

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting year?	Please explain
Facility 1	689,253	There was a 1% reduction from last year's data.	Facility 1 took part in our 2015 Higg verification pilot and continued to provide data for 2016. This data is separate from our WWF water risk assessment that determined the level of water risk associated with our suppliers' locations, and is captured in question W3.2a. As PVH rolls out the Higg Index FEM, we will collect and begin to analyze water use data from across our supply chain. This will allow PVH to determine a baseline and engage with suppliers to encourage reducing water use.

W5.4 For all facilities reported in W3.2a what proportion of their water accounting data has been externally verified?

Water aspect	% verification	What standard and methodology was used?
Water withdrawals- total volumes	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.
Water withdrawals- volume by sources	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.
Water discharges- total volumes	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.
Water discharges- volume by	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did

Water aspect	% verification	What standard and methodology was used?
destination		not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.
Water discharges- volume by treatment method	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.
Water discharge quality data-quality by standard effluent parameters	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.
Water consumption- total volume	Not verified	External verification was only provided during the 2015 Higg Index Verification Pilot. Data verification did not occur in 2016; however in 2017, we began to roll out the Higg Index FEM and related verification across our supply chain in a strategic, phased approach.

W6. Governance and Strategy

W6.1

Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
Board of individuals/Sub-set of the Board or other committee appointed by the Board	Scheduled - twice per year	Oversight of the Corporate Responsibility (CR) Strategy, which includes a commitment to safeguard and preserve water, starts at the highest level, with the PVH Board of Directors and the PVH leadership team. Our Corporate Responsibility Committee of the Board, comprised of three Directors (Mary Baglivo- Chief Marketing Officer / VP Global Marketing, Northwestern University, Brent Callinicos- Chief Operating Officer and Chief Financial Officer of Hyperloop One, Geraldine (Penny) McIntyre- Chairperson and former Chief Executive Officer of Sunrise Senior Living), advises the Board and PVH leadership on policies and strategies that affect our role as a socially and environmentally responsible organization. The Committee monitors our policies and performance on social and environmental issues. The Committee meets quarterly with CR management and engages regularly on CR issues. Clear lines of accountability for CR exist throughout PVH. Our Chief Risk Officer, Melanie Steiner, directs the development and implementation of our global CR strategy. She reports to our Chief Operating & Financial Officer, Mike Shaffer, and is supported by our Group VP of CR, Marissa Pagnani, who manages a global team.

W6.2

Is water management integrated into your business strategy?
Yes

W6.2a

Please choose the option(s) below that best explain how water has positively influenced your business strategy

Influence of water on business strategy	Please explain
Establishment of sustainability goals	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate in 2015, recognizing that through individual and collective action, we can identify and reduce critical short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment that PVH initiated in 2016 is informing the development of a global water strategy. To continue gathering insights into our supplier's practices, PVH's 2017 roll out the Higg Index FEM, enables us to collect detailed water data from over 550 suppliers. This data will allow us to determine an initial baseline, engage with suppliers on their respective water use and impact, and identify related sustainability goals for our global water strategy. Tommy Hilfiger has presented an opportunity for supplier and buying office engagement at the river basin level in the Yangtze. The work done around water contributes to general business excellence and resilience of our suppliers and feeds (currently indirectly) into the selection of our key suppliers. Through the risk assessment work, Tommy Hilfiger has gained greater insight into its extended supply chains, which has helped other company optimization projects. We have extended the water partnership with WWF to further enhance PVH's water stewardship and broader sustainability efforts.
Establishment of a clear water strategy	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate in 2015, recognizing that through individual and collective action, we can identify and reduce critical short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment that PVH initiated in 2016 is informing the development of a global water strategy. To continue gathering insights into our supplier's practices, PVH's 2017 roll out the Higg Index FEM, enables us to collect detailed water data from over 550 suppliers. This data will allow us to determine an initial baseline, engage with suppliers on their respective water use and impact, and identify related sustainability goals for our global water strategy. Tommy Hilfiger has presented an opportunity for supplier and buying office engagement at the river basin level in the Yangtze. The work done around water contributes to general business excellence and resilience of our suppliers and feeds (currently indirectly) into the selection of our key suppliers. Through the risk assessment work, Tommy Hilfiger has gained greater insight into its extended supply chains, which has helped other company optimization projects. We have extended the water partnership with WWF to further enhance PVH's water stewardship and broader sustainability efforts.
Exploration of environmental impact	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate in 2015, recognizing that through individual and collective action, we can identify and reduce critical short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment that PVH initiated in 2016 is informing the development of a global water strategy. To continue gathering insights into our supplier's practices, PVH's 2017 roll out the Higg Index FEM, enables us to collect detailed water

Influence of water on business strategy	Please explain
	data from over 550 suppliers. This data will allow us to determine an initial baseline, engage with suppliers on their respective water use and impact, and identify related sustainability goals for our global water strategy. Tommy Hilfiger has presented an opportunity for supplier and buying office engagement at the river basin level in the Yangtze. The work done around water contributes to general business excellence and resilience of our suppliers and feeds (currently indirectly) into the selection of our key suppliers. Through the risk assessment work, Tommy Hilfiger has gained greater insight into its extended supply chains, which has helped other company optimization projects. We have extended the water partnership with WWF to further enhance PVH's water stewardship and broader sustainability efforts.
Greater supplier engagement	PVH is committed to safeguarding and preserving water resources to ensure continuity and quality of water supply for our business and the communities in which we operate. PVH signed the UN Global Compact's CEO Water Mandate in 2015, recognizing that through individual and collective action, we can identify and reduce critical short-term water risks to our business and contribute to the realization of the UN Sustainable Development Goals that support vibrant economies and create new market opportunities. The water risk assessment that PVH initiated in 2016 is informing the development of a global water strategy. To continue gathering insights into our supplier's practices, PVH's 2017 roll out the Higg Index FEM, enables us to collect detailed water data from over 550 suppliers. This data will allow us to determine an initial baseline, engage with suppliers on their respective water use and impact, and identify related sustainability goals for our global water strategy. Tommy Hilfiger has presented an opportunity for supplier and buying office engagement at the river basin level in the Yangtze. The work done around water contributes to general business excellence and resilience of our suppliers and feeds (currently indirectly) into the selection of our key suppliers. Through the risk assessment work, Tommy Hilfiger has gained greater insight into its extended supply chains, which has helped other company optimization projects. We have extended the water partnership with WWF to further enhance PVH's water stewardship and broader sustainability efforts.

W6.2b

Please choose the option(s) below that best explains how water has negatively influenced your business strategy

Influence of water on business strategy	Please explain
No measurable influence	In 2016, there was no measured negative influence to PVH's business strategy as it relates to water. Looking forward, we plan to track and manage water risks to prepare for potential negative implications related to water, specifically in countries like China and India as more stringent water regulations transform the industry.

W6.3

Does your organization have a water policy that sets out clear goals and guidelines for action?
No

W6.4

How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting year compare to the previous reporting year?

Water CAPEX (+/- % change)	Water OPEX (+/- % change)	Motivation for these changes
	+7.5	In 2016 as compared to 2015, Tommy Hilfiger continued working closely with the WWF to expand its water program. In 2016, PVH initiated work with the WWF on a water risk assessment.

W7. Compliance

W7.1

Was your organization subject to any penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting year?
No

W8. Targets and Initiatives

W8.1

Do you have any company wide targets (quantitative) or goals (qualitative) related to water?
Yes, targets and goals

W8.1a

Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made

Category of target	Motivation	Description of target	Quantitative unit of measurement	Base-line year	Target year	Proportion of target achieved, % value
Other: Sustainable Raw Materials	Risk mitigation	Tommy Hilfiger has a target to procure 100% of cotton from more sustainable sources by 2020. For example, Better Cotton sourced through Better Cotton Initiative (BCI), uses less water, fewer fertilizers, and fewer pesticides per kilogram produced compared to conventional cotton.	Other: % use	2012	2020	27%

W8.1b

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

Goal	Motivation	Description of goal	Progress
Engagement with public policy makers to advance sustainable water policies and management	Water stewardship	PVH is committed to working with its suppliers and other stakeholders to preserve water resources in communities where we work and live, particularly in high-risk river basins in those areas. Through Tommy Hilfiger's work with WWF on the Taihu Water Stewardship Project in 2016, Tommy Hilfiger continued to participate in the collective action that engage among others, local Chinese government, CNTAC representatives, local NGOs, local suppliers etc. to promote better Taihu Basin governance model. The team is working collectively to reduce water risks for business, ecosystem and communities by raising awareness and improving knowledge of impact, promoting IP Water Stewardship, engaging in collective action in the Taihu Basin, and multiplying our impact through standardizing systems.	The Taihu WWF project was kicked off in 2015 and the work continued into 2016, which included organizing trainings, workshops and round table discussions to further the advancement of effective water stewardship initiatives.
Engagement with an intergovernmental organization to advance sustainable water policies and management	Water stewardship	In 2016, PVH signed the UN Global Compact's CEO Water Mandate, a multi-industry commitment through which we commit to respect and report against six core principles on water stewardship.	PVH is a signatory of the UN Global Compact and will move forward in communicating activities based on the CEO Water Mandate's six elements in future reporting.
Other: Zero discharge of Hazardous Chemicals	Recommended sector best practice	PVH is committed to achieving zero discharge of hazardous chemicals from our supply chain by 2020.	In 2016, we continued to work with our suppliers to roll out the updated Restricted Substance List ("RSL") that applies to all PVH businesses and licensees. All of our suppliers are signed up to comply with the new RSL through their supplier agreements, and our licensees commit through their license agreements. The RSL establishes concentration limits for substances found in our finished products. While the RSL helps us stay compliant in a complex regulatory environment, it also serves as an indicator to stakeholders of the chemicals we believe need to be limited and phased out.
Engagement with suppliers to help them improve water	Recommended sector best practice	PVH is committed to working with its supplier base and other stakeholders to help preserve water resources in our communities, particularly in high-risk river basins. We are beginning to undertake new initiatives in this area by mapping our Level 2 supplier base and exploring other opportunities	In 2016, Tommy Hilfiger continued its partnership with WWF to engage with stakeholders in two river basins where we have suppliers facing water risks. These are the Taihu Basin (part of the Yangtze River) in China and

Goal	Motivation	Description of goal	Progress
stewardship		through our regular course of engagement with suppliers. Additionally, PVH broadened the established Tommy Hilfiger and WWF partnership, aimed to work together on preserving water resources through local stakeholder engagement and implementing more sustainable water practices among suppliers.	the Mekong, which covers Vietnam, Laos, Cambodia and Thailand. By collaborating with our suppliers, local businesses, universities and non-profits, we aim to build an understanding of water risks, promote responsible water stewardship and develop common solutions. Collaborating with our Level 1 suppliers has led to detailed mapping of our Level 2 suppliers. As we roll out the Higg Index FEM to nearly 550 suppliers we will continue to advance our engagement with our suppliers.

W9. Managing trade-offs between water and other environmental issues

W9.1 Has your organization identified any linkages or trade-offs between water and other environmental issues in its value chain?

Yes

W9.1a Please describe the linkages or trade-offs and the related management policy or action

Environmental issues	Linkage or trade-off	Policy or action
Energy Consumption, Chemical Use, Biodiversity	Linkage	PVH's CR strategy, with commitments around water, chemicals management, sustainable materials, greenhouse gas emissions reduction, and sustainable packaging positions PVH to address environmental issues holistically and identify linkages and trade-offs. PVH conducted a life cycle assessment of a dress shirt to better understand linkages between environmental impacts and to prioritize focus areas.
Raw Materials	Linkage	Cotton represents over two-thirds of PVH's global materials footprint. Cotton is an extremely water-intensive crop and to address the significant impact of this commodity, PHV has committed to source raw materials more sustainably to minimize related social and environmental impacts. Tommy Hilfiger has been a member of the Better Cotton Initiative since 2013 and, since then, it has sourced 10,100,184 kg of Better Cotton.

W10.1 = Please provide the following information for the person that has signed off (approved) your CDP water response

Name	Job title	Corresponding job category
Melanie Steiner	Chief Risk Officer	Head of risk

W10.2- Please select if your organization would like CDP to transfer your publicly disclosed response strategy from questions W1.4a, W3.2c and W3.2d to the CEO Water Mandate Water Action Hub.
Yes