

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended July 30, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number 001-07572

PVH CORP.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-1166910

(I.R.S. Employer
Identification No.)

285 Madison Avenue, New York, New York

(Address of principal executive offices)

10017

(Zip Code)

(212) 381-3500

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$1.00 par value	PVH	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of outstanding shares of common stock of the registrant as of August 29, 2023 was 60,424,938.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Forward-looking statements in this Quarterly Report on Form 10-Q, including, without limitation, statements relating to our future revenue, earnings and cash flows, plans, strategies, objectives, expectations and intentions are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy, and some of which might not be anticipated, including, without limitation, (i) our plans, strategies, objectives, expectations and intentions are subject to change at any time at our discretion; (ii) our ability to realize anticipated benefits and savings from divestitures, restructurings and similar plans, such as the headcount cost reduction initiative announced in August 2022, and the August 2021 sale of assets of, and exit from, our Heritage Brands business to focus on our Calvin Klein and Tommy Hilfiger businesses; (iii) the ability to realize the intended benefits from the acquisition of licensees or the reversion of licensed rights (such as the announced plan to bring in-house most of the product categories currently licensed to G-III Apparel Group, Ltd. upon the expirations over time of the underlying license agreements) and avoid any disruptions in the businesses during the transition from operation by the licensee to the direct operation by the Company; (iv) we have significant levels of outstanding debt and borrowing capacity and we use a significant portion of our cash flows to service our indebtedness, as a result of which we might not have sufficient funds to operate our businesses in the manner we intend or have operated in the past; (v) the levels of sales of our apparel, footwear and related products, both to our wholesale customers and in our retail stores and our directly operated digital commerce sites, the levels of sales of our licensees at wholesale and retail, and the extent of discounts and promotional pricing in which we and our licensees and other business partners are required to engage, all of which can be affected by weather conditions, changes in the economy (including inflationary pressures like those currently being seen globally), fuel prices, reductions in travel, fashion trends, consolidations, repositionings and bankruptcies in the retail industries, consumer sentiment and other factors; (vi) our ability to manage our growth and inventory; (vii) quota restrictions, the imposition of safeguard controls and the imposition of new or increased duties or tariffs on goods from the countries where we or our licensees produce goods under our trademarks, any of which, among other things, could limit the ability to produce products in cost-effective countries, or in countries that have the labor and technical expertise needed, or require us to absorb costs or try to pass costs onto consumers, which could materially impact our revenue and profitability; (viii) the availability and cost of raw materials; (ix) our ability to adjust timely to changes in trade regulations and the migration and development of manufacturers (which can affect where our products can best be produced); (x) the regulation or prohibition of the transaction of business with specific individuals or entities and their affiliates or goods manufactured in (or containing raw materials or components from) certain regions, such as the listing of a person or entity as a Specially Designated National or Blocked Person by the U.S. Department of the Treasury's Office of Foreign Assets Control and the issuance of Withhold Release Orders by the U.S. Customs and Border Protection; (xi) changes in available factory and shipping capacity, wage and shipping cost escalation, and store closures in any of the countries where our licensees' or wholesale customers' or other business partners' stores are located or products are sold or produced or are planned to be sold or produced, as a result of civil conflict, war or terrorist acts, the threat of any of the foregoing, or political or labor instability, such as the current war in Ukraine that led to our exit from our retail business in Russia and the cessation of our wholesale operations in Russia and Belarus, and the temporary cessation of business by many of our business partners in Ukraine; (xii) disease epidemics and health-related concerns, such as the recent COVID-19 pandemic, which could result in (and, in the case of the COVID-19 pandemic, did result in some of the following) supply-chain disruptions due to closed factories, reduced workforces and production capacity, shipping delays, container and trucker shortages, port congestion and other logistics problems, closed stores, and reduced consumer traffic and purchasing, or governments implement mandatory business closures, travel restrictions or the like, and market or other changes that could result in shortages of inventory available to be delivered to our stores and customers, order cancellations and lost sales, as well as in noncash impairments of our goodwill and other intangible assets, operating lease right-of-use assets, and property, plant and equipment; (xiii) actions taken towards sustainability and social and environmental responsibility as part of our sustainability and social and environmental strategy, may not be achieved or may be perceived to be falsely claimed, which could diminish consumer trust in our brands, as well as our brands' value; (xiv) the failure of our licensees to market successfully licensed products or to preserve the value of our brands, or their misuse of our brands; (xv) significant fluctuations of the U.S. dollar against foreign currencies in which we transact significant levels of business; (xvi) our retirement plan expenses recorded throughout the year are calculated using actuarial valuations that incorporate assumptions and estimates about financial market, economic and demographic conditions, and differences between estimated and actual results give rise to gains and losses, which can be significant, that are recorded immediately in earnings, generally in the fourth quarter of the year; (xvii) the impact of new and revised tax legislation and regulations; and (xviii) other risks and uncertainties indicated from time to time in our filings with the Securities and Exchange Commission.

We do not undertake any obligation to update publicly any forward-looking statement, including, without limitation, any estimate regarding revenue, earnings or cash flows, whether as a result of the receipt of new information, future events or otherwise.

PART I -- FINANCIAL INFORMATION

Item 1 - Financial Statements	
Consolidated Statements of Operations for the Thirteen and Twenty-Six Weeks Ended July 30, 2023 and July 31, 2022	1
Consolidated Statements of Comprehensive Income for the Thirteen and Twenty-Six Weeks Ended July 30, 2023 and July 31, 2022	2
Consolidated Balance Sheets as of July 30, 2023, January 29, 2023 and July 31, 2022	3
Consolidated Statements of Cash Flows for the Twenty-Six Weeks Ended July 30, 2023 and July 31, 2022	4
Consolidated Statements of Changes in Stockholders' Equity for the Twenty-Six Weeks Ended July 30, 2023 and July 31, 2022	5
Notes to Consolidated Financial Statements	7
Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations	31
Item 3 - Quantitative and Qualitative Disclosures About Market Risk	43
Item 4 - Controls and Procedures	45

PART II -- OTHER INFORMATION

Item 1 - Legal Proceedings	46
Item 1A - Risk Factors	46
Item 2 - Unregistered Sales of Equity Securities and Use of Proceeds	46
Item 5 - Other Information	47
Item 6 - Exhibits	48
Signatures	50

PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

PVH Corp.
Consolidated Statements of Operations
Unaudited
(In millions, except per share data)

	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	July 30, 2023	July 31, 2022	July 30, 2023	July 31, 2022
Net sales	\$ 2,105.2	\$ 2,031.1	\$ 4,156.3	\$ 4,037.7
Royalty revenue	80.1	78.3	164.8	168.3
Advertising and other revenue	21.7	22.6	43.8	48.7
Total revenue	2,207.0	2,132.0	4,364.9	4,254.7
Cost of goods sold (exclusive of depreciation and amortization)	934.7	912.5	1,842.3	1,796.5
Gross profit	1,272.3	1,219.5	2,522.6	2,458.2
Selling, general and administrative expenses	1,138.5	1,070.4	2,202.5	2,109.8
Non-service related pension and postretirement income	0.3	3.2	0.9	6.8
Equity in net income of unconsolidated affiliates	9.2	24.7	21.1	32.1
Income before interest and taxes	143.3	177.0	342.1	387.3
Interest expense	25.9	21.8	51.2	44.8
Interest income	2.3	1.5	5.6	2.7
Income before taxes	119.7	156.7	296.5	345.2
Income tax expense	25.5	41.4	66.3	96.8
Net income	\$ 94.2	\$ 115.3	\$ 230.2	\$ 248.4
Basic net income per common share	\$ 1.52	\$ 1.73	\$ 3.69	\$ 3.69
Diluted net income per common share	\$ 1.50	\$ 1.72	\$ 3.65	\$ 3.66

See accompanying notes.

PVH Corp.
Consolidated Statements of Comprehensive Income
Unaudited
(In millions)

	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	July 30, 2023	July 31, 2022	July 30, 2023	July 31, 2022
Net income	\$ 94.2	\$ 115.3	\$ 230.2	\$ 248.4
Other comprehensive income (loss):				
Foreign currency translation adjustments	21.1	(92.0)	4.4	(223.8)
Net unrealized and realized gain (loss) related to effective cash flow hedges, net of tax (benefit) expense of \$(0.1), \$1.8, \$(0.5), and \$10.8	0.3	5.5	(1.7)	31.3
Net (loss) gain on net investment hedges, net of tax (benefit) expense of \$(1.0), \$9.6, \$(4.2), and \$26.2	(2.9)	28.6	(12.7)	78.8
Total other comprehensive income (loss)	18.5	(57.9)	(10.0)	(113.7)
Comprehensive income	\$ 112.7	\$ 57.4	\$ 220.2	\$ 134.7

See accompanying notes.

PVH Corp.
Consolidated Balance Sheets
(In millions, except share and per share data)

	July 30, 2023	January 29, 2023	July 31, 2022
	UNAUDITED	AUDITED	UNAUDITED
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 372.8	\$ 550.7	\$ 699.3
Trade receivables, net of allowances for credit losses of \$42.0, \$42.6 and \$49.1	889.2	923.7	804.6
Other receivables	20.8	21.5	32.9
Inventories, net	1,795.5	1,802.6	1,689.9
Prepaid expenses	256.0	209.2	207.4
Other	79.8	72.7	150.3
Total Current Assets	3,414.1	3,580.4	3,584.4
Property, Plant and Equipment, net	876.0	904.0	842.0
Operating Lease Right-of-Use Assets	1,291.2	1,295.7	1,230.3
Goodwill	2,354.7	2,359.0	2,694.5
Tradenames	2,713.1	2,701.1	2,647.7
Other Intangibles, net	518.7	548.8	555.3
Other Assets, including deferred taxes of \$24.1, \$33.8 and \$42.0	374.6	379.3	368.1
Total Assets	<u>\$ 11,542.4</u>	<u>\$ 11,768.3</u>	<u>\$ 11,922.3</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accounts payable	\$ 1,242.9	\$ 1,327.4	\$ 1,359.0
Accrued expenses	773.6	874.0	844.9
Deferred revenue	74.4	54.3	54.0
Current portion of operating lease liabilities	328.6	353.7	348.2
Short-term borrowings	15.2	46.2	12.2
Current portion of long-term debt	688.9	111.9	38.2
Total Current Liabilities	3,123.6	2,767.5	2,656.5
Long-Term Portion of Operating Lease Liabilities	1,136.9	1,140.0	1,114.2
Long-Term Debt	1,619.6	2,177.0	2,155.5
Other Liabilities, including deferred taxes of \$321.3, \$357.5 and \$378.2	624.7	671.1	789.7
Stockholders' Equity:			
Preferred stock, par value \$100 per share; 150,000 total shares authorized	—	—	—
Common stock, par value \$1 per share; 240,000,000 shares authorized; 88,161,386; 87,641,611 and 87,509,778 shares issued	88.2	87.6	87.5
Additional paid-in capital - common stock	3,271.4	3,244.5	3,220.9
Retained earnings	4,978.5	4,753.1	4,806.0
Accumulated other comprehensive loss	(723.1)	(713.1)	(726.4)
Less: 27,481,695; 24,932,374 and 21,906,203 shares of common stock held in treasury, at cost	(2,577.4)	(2,359.4)	(2,181.6)
Total Stockholders' Equity	5,037.6	5,012.7	5,206.4
Total Liabilities and Stockholders' Equity	<u>\$ 11,542.4</u>	<u>\$ 11,768.3</u>	<u>\$ 11,922.3</u>

See accompanying notes.

PVH Corp.
Consolidated Statements of Cash Flows
Unaudited
(In millions)

	Twenty-Six Weeks Ended	
	July 30, 2023	July 31, 2022
OPERATING ACTIVITIES		
Net income	\$ 230.2	\$ 248.4
Adjustments to reconcile to net cash provided (used) by operating activities:		
Depreciation and amortization	147.8	152.2
Equity in net income of unconsolidated affiliates	(21.1)	(32.1)
Deferred taxes	(22.1)	(13.5)
Stock-based compensation expense	27.4	22.8
Impairment of other long-lived assets	—	43.6
Changes in operating assets and liabilities:		
Trade receivables, net	36.2	(99.2)
Other receivables	0.9	(13.3)
Inventories, net	1.2	(415.9)
Accounts payable, accrued expenses and deferred revenue	(153.0)	8.8
Prepaid expenses	(45.9)	(46.0)
Other, net	(5.4)	(18.9)
Net cash provided (used) by operating activities	<u>196.2</u>	<u>(163.1)</u>
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(115.9)	(108.7)
Proceeds from sale of Karl Lagerfeld investment	—	19.1
Purchases of investments held in rabbi trust	(2.4)	(5.7)
Proceeds from investments held in rabbi trust	0.9	0.6
Net cash used by investing activities	<u>(117.4)</u>	<u>(94.7)</u>
FINANCING ACTIVITIES		
Net (payments on) proceeds from short-term borrowings	(28.8)	3.0
Repayment of 2022 facilities	(6.0)	—
Repayment of 2019 facilities	—	(13.4)
Net proceeds from settlement of awards under stock plans	0.1	0.1
Cash dividends	(4.8)	(5.2)
Acquisition of treasury shares	(214.2)	(237.7)
Payments of finance lease liabilities	(2.5)	(2.2)
Net cash used by financing activities	<u>(256.2)</u>	<u>(255.4)</u>
Effect of exchange rate changes on cash and cash equivalents	(0.5)	(30.0)
Decrease in cash and cash equivalents	(177.9)	(543.2)
Cash and cash equivalents at beginning of period	550.7	1,242.5
Cash and cash equivalents at end of period	<u>\$ 372.8</u>	<u>\$ 699.3</u>

See accompanying notes.

PVH Corp.
Consolidated Statements of Changes in Stockholders' Equity
Unaudited
(In millions, except share and per share data)

Twenty-Six Weeks Ended July 31, 2022									
	Common Stock			Additional Paid-In Capital- Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity	
	Preferred Stock	Shares	\$1 par Value						
January 30, 2022	\$ —	87,107,155	\$ 87.1	\$ 3,198.4	\$ 4,562.8	\$ (612.7)	\$ (1,946.8)	\$ 5,288.8	
Net income					133.1			133.1	
Foreign currency translation adjustments						(131.8)		(131.8)	
Net unrealized and realized gain related to effective cash flow hedges, net of tax expense of \$9.0						25.8		25.8	
Net gain on net investment hedges, net of tax expense of \$16.6						50.2		50.2	
Comprehensive income								77.3	
Settlement of awards under stock plans		157,495	0.2	(0.1)				0.1	
Stock-based compensation expense				10.1				10.1	
Dividends declared (\$0.0375 per common share)					(2.6)			(2.6)	
Acquisition of 1,264,730 treasury shares							(105.2)	(105.2)	
May 1, 2022	\$ —	87,264,650	\$ 87.3	\$ 3,208.4	\$ 4,693.3	\$ (668.5)	\$ (2,052.0)	\$ 5,268.5	
Net income					115.3			115.3	
Foreign currency translation adjustments						(92.0)		(92.0)	
Net unrealized and realized gain related to effective cash flow hedges, net of tax expense of \$1.8						5.5		5.5	
Net gain on net investment hedges, net of tax expense of \$9.6						28.6		28.6	
Comprehensive income								57.4	
Settlement of awards under stock plans		245,128	0.2	(0.2)				—	
Stock-based compensation expense				12.7				12.7	
Dividends declared (\$0.0375 per common share)					(2.6)			(2.6)	
Acquisition of 2,068,991 treasury shares							(129.6)	(129.6)	
July 31, 2022	\$ —	87,509,778	\$ 87.5	\$ 3,220.9	\$ 4,806.0	\$ (726.4)	\$ (2,181.6)	\$ 5,206.4	

PVH Corp.
Consolidated Statements of Changes in Stockholders' Equity (continued)
Unaudited
(In millions, except share and per share data)

	Twenty-Six Weeks Ended July 30, 2023							
	Common Stock			Additional Paid-In Capital- Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
	Preferred Stock	Shares	\$1 par Value					
January 29, 2023	\$ —	87,641,611	\$ 87.6	\$ 3,244.5	\$ 4,753.1	\$ (713.1)	\$ (2,359.4)	\$ 5,012.7
Net income					136.0			136.0
Foreign currency translation adjustments						(16.7)		(16.7)
Net unrealized and realized loss related to effective cash flow hedges, net of tax benefit of \$0.4						(2.0)		(2.0)
Net loss on net investment hedges, net of tax benefit of \$3.2						(9.8)		(9.8)
Comprehensive income								107.5
Settlement of awards under stock plans		132,809	0.2	(0.1)				0.1
Stock-based compensation expense				13.1				13.1
Dividends declared (\$0.0375 per common share)					(2.4)			(2.4)
Acquisition of 53,950 treasury shares							(4.6)	(4.6)
April 30, 2023	\$ —	87,774,420	\$ 87.8	\$ 3,257.5	\$ 4,886.7	\$ (741.6)	\$ (2,364.0)	\$ 5,126.4
Net income					94.2			94.2
Foreign currency translation adjustments						21.1		21.1
Net unrealized and realized gain related to effective cash flow hedges, net of tax benefit of \$0.1						0.3		0.3
Net loss on net investment hedges, net of tax benefit of \$1.0						(2.9)		(2.9)
Comprehensive income								112.7
Settlement of awards under stock plans		386,966	0.4	(0.4)				—
Stock-based compensation expense				14.3				14.3
Dividends declared (\$0.0375 per common share)					(2.4)			(2.4)
Acquisition of 2,495,371 treasury shares, including excise taxes of \$1.7							(213.4)	(213.4)
July 30, 2023	\$ —	88,161,386	\$ 88.2	\$ 3,271.4	\$ 4,978.5	\$ (723.1)	\$ (2,577.4)	\$ 5,037.6

See accompanying notes.

1. GENERAL

PVH Corp. and its consolidated subsidiaries (collectively, the “Company”) constitute a global apparel company with a brand portfolio that includes *TOMMY HILFINGER*, *Calvin Klein*, *Warner’s*, *Olga* and *True&Co.*, which are owned, *Van Heusen* and *Nike*, which the Company licenses for certain product categories, and other owned and licensed brands. The Company designs and markets branded sportswear (casual apparel), jeanswear, performance apparel, intimate apparel, underwear, swimwear, dress shirts, handbags, accessories, footwear and other related products and licenses its owned brands globally over a broad array of product categories and for use in numerous discrete jurisdictions.

The consolidated financial statements include the accounts of the Company. Intercompany accounts and transactions have been eliminated in consolidation. Investments in entities that the Company does not control but has the ability to exercise significant influence over are accounted for using the equity method of accounting. The Company’s Consolidated Statements of Operations include its proportionate share of the net income or loss of these entities. Please see Note 4, “Investments in Unconsolidated Affiliates,” for further discussion.

Since the first day of the second quarter of 2022, the Company has been accounting for its operations in Turkey as highly inflationary, as the cumulative inflation rate surpassed 100% for the three-year period that ended during the first quarter of 2022. Accordingly, the Company has changed the functional currency of its subsidiary in Turkey from the Turkish lira to the euro, which is the functional currency of its parent. The required remeasurement of monetary assets and liabilities denominated in Turkish lira into euro did not have a material impact on the Company’s results of operations during the thirteen and twenty-six weeks ended July 30, 2023 and July 31, 2022. As of July 30, 2023 and July 31, 2022, net monetary assets denominated in Turkish lira represented less than 1% of the Company’s total net assets.

The Company’s fiscal years are based on the 52-53 week periods ending on the Sunday closest to February 1 and are designated by the calendar year in which the fiscal year commences. References to a year are to the Company’s fiscal year, unless the context requires otherwise.

The accompanying unaudited consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information. Accordingly, they do not contain all disclosures required by U.S. GAAP for complete financial statements. Reference is made to the Company’s audited consolidated financial statements, including the notes thereto, included in the Company’s Annual Report on Form 10-K for the year ended January 29, 2023.

The preparation of the interim financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ materially from these estimates.

The results of operations for the thirteen and twenty-six weeks ended July 30, 2023 and July 31, 2022 are not necessarily indicative of those for a full fiscal year due, in part, to seasonal factors. Furthermore, the data contained in these consolidated financial statements are unaudited and are subject to year-end adjustments. However, in the opinion of management, all known adjustments have been made to present fairly the consolidated operating results for the unaudited periods.

There is significant uncertainty in the current macroeconomic environment due to inflationary pressures globally, the war in Ukraine and foreign currency volatility and their impacts on the Company’s business. If economic conditions were to worsen, the Company’s results of operations, financial condition and cash flows from operations may be materially and adversely impacted.

War in Ukraine

As a result of the war in Ukraine, the Company announced in March 2022 that it was temporarily closing stores and pausing commercial activities in Russia and Belarus. In the second quarter of 2022, the Company made the decision to exit from its Russia business, including the closure of its retail stores in Russia and the cessation of its wholesale operations in Russia and Belarus. Additionally, while the Company has no direct operations in Ukraine, virtually all of its wholesale customers and franchisees in Ukraine have been impacted, which has resulted in a reduction in shipments to these customers and canceled

orders. The war also led to broader macroeconomic implications in 2022, including the weakening of the euro against the United States dollar, increases in fuel prices and volatility in the financial markets, as well as a decline in consumer spending.

There is uncertainty regarding the extent to which the war and its broader macroeconomic implications, including the potential impacts on the broader European market, will further impact the Company's business, financial condition and results of operations for the remainder of 2023.

COVID-19 Pandemic

The COVID-19 pandemic had a significant impact on the Company's business, results of operations, financial condition and cash flows from operations during 2022. The pandemic did not have a significant impact on the Company in the first half of 2023.

Strict lockdowns in China during 2022 resulted in extensive temporary store closures and significant reductions in consumer traffic and purchasing, as well as impacted certain warehouses, which resulted in the temporary pause of deliveries to the Company's wholesale customers and from its digital commerce business in the first half of 2022. COVID-related restrictions in China were lifted at the end of the fourth quarter of 2022.

In addition, the Company's North America stores have been challenged by the significant decrease in international tourists coming to the United States since the onset of the pandemic. Stores located in international tourist destinations had represented a significant portion of the North America retail business prior to the pandemic.

In addition, pandemic-related supply chain and logistics disruptions have impacted the Company's supply chain partners, including third party manufacturers, logistics providers and other vendors, as well as the supply chains of its licensees. These supply chains have experienced disruptions as a result of closed factories or factories operating with a reduced workforce, or other logistics constraints, including vessel, container and other transportation shortages, labor shortages and port congestion due to the impact of the pandemic. These impacts significantly improved in the second half of 2022.

2. REVENUE

The Company generates revenue primarily from sales of finished products under its owned trademarks through its wholesale and retail operations. The Company also generates royalty and advertising revenue from licensing rights to its trademarks to third parties. Revenue is recognized upon the transfer of control of products or services to the Company's customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those products or services.

Performance Obligations Under License Agreements

As of July 30, 2023, the contractual minimum fees on the portion of all license agreements not yet satisfied totaled \$904.7 million, of which the Company expects to recognize \$142.8 million as revenue during the remainder of 2023, \$259.7 million in 2024 and \$502.2 million thereafter. The Company elected not to disclose the remaining performance obligations for contracts that have an original expected term of one year or less and expected sales-based percentage fees for the portion of all license agreements not yet satisfied.

Deferred Revenue

Changes in deferred revenue, which primarily relate to customer loyalty programs, gift cards and license agreements for the twenty-six weeks ended July 30, 2023 and July 31, 2022 were as follows:

(In millions)	Twenty-Six Weeks Ended	
	7/30/23	7/31/22
Deferred revenue balance at beginning of period	\$ 54.3	\$ 44.9
Net additions to deferred revenue during the period	62.4	45.4
Reductions in deferred revenue for revenue recognized during the period ⁽¹⁾	(42.3)	(36.3)
Deferred revenue balance at end of period	\$ 74.4	\$ 54.0

⁽¹⁾ Represents the amount of revenue recognized during the period that was included in the deferred revenue balance at the beginning of the period and does not contemplate revenue recognized from amounts deferred during the period. The amounts include \$2.8 million and \$4.0 million of revenue recognized during the thirteen weeks ended July 30, 2023 and July 31, 2022, respectively.

The Company also had long-term deferred revenue liabilities included in other liabilities in its Consolidated Balance Sheets of \$10.8 million, \$12.1 million and \$13.3 million as of July 30, 2023, January 29, 2023 and July 31, 2022, respectively.

Please see Note 16, "Segment Data," for information on the disaggregation of revenue by segment and distribution channel.

3. INVENTORIES

Inventories are comprised principally of finished goods and are stated at the lower of cost or net realizable value, except for certain retail inventories in North America that are stated at the lower of cost or market using the retail inventory method. Cost for all wholesale inventories in North America and certain wholesale and retail inventories in Asia is determined using the first-in, first-out method. Cost for all other inventories is determined using the weighted average cost method. The Company reviews current business trends and forecasts, inventory aging and discontinued merchandise categories to determine adjustments that it estimates will be needed to liquidate existing clearance inventories and record inventories at either the lower of cost or net realizable value or the lower of cost or market using the retail inventory method, as applicable.

4. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

The Company had investments in unconsolidated affiliates of \$195.8 million, \$190.2 million and \$164.9 million as of July 30, 2023, January 29, 2023 and July 31, 2022, respectively. These investments are accounted for under the equity method of accounting and included in other assets in the Company's Consolidated Balance Sheets. The Company received dividends of \$30.1 million and \$16.2 million from these investments during the twenty-six weeks ended July 30, 2023 and July 31, 2022, respectively.

The Company completed the sale of its economic interest in Karl Lagerfeld Holding B.V. ("Karl Lagerfeld") to a subsidiary of G-III Apparel Group, Ltd. (the "Karl Lagerfeld transaction") on May 31, 2022 for approximately \$20.5 million in cash, subject to customary adjustments, of which \$19.1 million was received during the second quarter of 2022 and \$1.4 million is being held in escrow and subject to exchange rate fluctuation. The carrying value of the Company's investment in Karl Lagerfeld was \$1.0 million immediately prior to the completion of the sale.

In connection with the closing of the Karl Lagerfeld transaction, the Company recorded a pre-tax gain of \$16.1 million during the second quarter of 2022, which reflected (i) the excess of the proceeds over the carrying value of the Karl Lagerfeld investment, less (ii) \$3.4 million of foreign currency translation adjustment losses previously recorded in accumulated other comprehensive loss. The gain was included in equity in net income of unconsolidated affiliates in the Company's Consolidated Statement of Operations and recorded in corporate expenses not allocated to any reportable segments, consistent with how the Company has historically recorded its proportionate share of the net income or loss of its investment in Karl Lagerfeld.

Please see Note 5, "Investments in Unconsolidated Affiliates," in the Notes to Consolidated Financial Statements included in Item 8 of the Company's Annual Report on Form 10-K for the year ended January 29, 2023 for further discussion of the Karl Lagerfeld investment.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill for the twenty-six weeks ended July 30, 2023, by segment (please see Note 16, “Segment Data,” for further discussion of the Company’s reportable segments), were as follows:

(In millions)	Calvin Klein North America	Calvin Klein International	Tommy Hilfiger North America	Tommy Hilfiger International	Heritage Brands Wholesale	Total
Balance as of January 29, 2023						
Goodwill, gross	\$ 781.8	\$ 885.0	\$ 203.0	\$ 1,587.6	\$ 105.0	\$ 3,562.4
Accumulated impairment losses	(449.9)	(471.3)	(177.2)	—	(105.0)	(1,203.4)
Goodwill, net	331.9	413.7	25.8	1,587.6	—	2,359.0
Currency translation	—	(3.2)	—	(1.1)	—	(4.3)
Balance as of July 30, 2023						
Goodwill, gross	781.8	881.8	203.0	1,586.5	105.0	3,558.1
Accumulated impairment losses	(449.9)	(471.3)	(177.2)	—	(105.0)	(1,203.4)
Goodwill, net	<u>\$ 331.9</u>	<u>\$ 410.5</u>	<u>\$ 25.8</u>	<u>\$ 1,586.5</u>	<u>\$ —</u>	<u>\$ 2,354.7</u>

The Company assesses the recoverability of goodwill and other indefinite-lived intangible assets annually, at the beginning of the third quarter of each fiscal year, and between annual tests if an event occurs or circumstances change that would indicate that it is more likely than not that the carrying amount may be impaired. Impairment testing for goodwill is done at the reporting unit level. Impairment testing for other indefinite-lived intangible assets is done at the individual asset level. Intangible assets with finite lives are amortized over their estimated useful life and are tested for impairment, along with other long-lived assets, when events and circumstances indicate that the assets might be impaired. Indefinite-lived intangible assets and intangible assets with finite lives are tested for impairment prior to assessing the recoverability of goodwill. Please see Note 1, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 29, 2023 for discussion of the Company’s goodwill and other intangible assets impairment testing process.

There have been no significant events or changes in circumstances during the twenty-six weeks ended July 30, 2023 that would indicate the remaining carrying amount of the Company’s goodwill and other intangible assets may be impaired as of July 30, 2023.

6. RETIREMENT AND BENEFIT PLANS

The Company, as of July 30, 2023, has two noncontributory qualified defined benefit pension plans. These plans cover substantially all employees resident in the United States hired prior to January 1, 2022 who meet certain age and service requirements. The plans provide monthly benefits upon retirement generally based on career average compensation and years of credited service. The plans also provide participants with the option to receive their benefits in the form of lump sum payments. Vesting in plan benefits generally occurs after five years of service. The Company refers to these two plans as its “Pension Plans.”

The Company also has three noncontributory unfunded non-qualified supplemental defined benefit pension plans, including:

- A plan for certain former members of Tommy Hilfiger’s domestic senior management.
- A capital accumulation program for certain former senior executives. Under the individual participants’ agreements, the participants in the program will receive a predetermined amount during the ten years following the attainment of age 65.
- A plan for certain employees resident in the United States hired prior to January 1, 2022 who meet certain age and service requirements that provides benefits for compensation in excess of Internal Revenue Service earnings limits and requires payments to vested employees upon or after employment termination or retirement, according to their distribution election.

The Company refers to these three plans as its “SERP Plans.”

The components of net benefit cost recognized were as follows:

(In millions)	<u>Pension Plans</u>		<u>Pension Plans</u>	
	<u>Thirteen Weeks Ended</u>		<u>Twenty-Six Weeks Ended</u>	
	<u>7/30/23</u>	<u>7/31/22</u>	<u>7/30/23</u>	<u>7/31/22</u>
Service cost	\$ 5.8	\$ 7.7	\$ 10.8	\$ 15.7
Interest cost	7.4	6.4	14.6	12.7
Expected return on plan assets	(8.4)	(10.4)	(16.9)	(20.9)
Total	<u>\$ 4.8</u>	<u>\$ 3.7</u>	<u>\$ 8.5</u>	<u>\$ 7.5</u>

(In millions)	<u>SERP Plans</u>		<u>SERP Plans</u>	
	<u>Thirteen Weeks Ended</u>		<u>Twenty-Six Weeks Ended</u>	
	<u>7/30/23</u>	<u>7/31/22</u>	<u>7/30/23</u>	<u>7/31/22</u>
Service cost	\$ 0.4	\$ 0.7	\$ 0.8	\$ 1.3
Interest cost	0.7	0.8	1.4	1.4
Total	<u>\$ 1.1</u>	<u>\$ 1.5</u>	<u>\$ 2.2</u>	<u>\$ 2.7</u>

The Company also provides certain postretirement health care and life insurance benefits to certain retirees resident in the United States under two plans. Retirees contribute to the cost of the applicable plan, both of which are unfunded and frozen. The Company refers to these two plans as its “Postretirement Plans.” Net benefit cost related to the Postretirement Plans was immaterial for the thirteen and twenty-six weeks ended July 30, 2023 and July 31, 2022.

The components of net benefit cost are recorded in the Company’s Consolidated Statements of Operations as follows: (i) the service cost component is recorded in selling, general and administrative (“SG&A”) expenses and (ii) the other components are recorded in non-service related pension and postretirement income.

Currently, the Company does not expect to make material contributions to the Pension Plans in 2023. The Company’s actual contributions may differ from planned contributions due to many factors, including changes in tax and other laws, as well as significant differences between expected and actual pension asset performance or interest rates.

7. DEBT

Short-Term Borrowings

The Company has the ability to draw revolving borrowings under the senior unsecured credit facilities discussed below in the section entitled “2022 Senior Unsecured Credit Facilities.” The Company had no revolving borrowings outstanding under these facilities as of July 30, 2023. The Company also had no revolving borrowings outstanding under its 2019 facilities (as defined below) as of July 31, 2022.

Additionally, the Company has the ability to borrow under short-term lines of credit, overdraft facilities and short-term revolving credit facilities denominated in various foreign currencies. These facilities provided for borrowings of up to \$220.9 million based on exchange rates in effect on July 30, 2023 and are utilized primarily to fund working capital needs. The Company had \$15.2 million outstanding under these facilities as of July 30, 2023. The weighted average interest rate on funds borrowed as of July 30, 2023 was 0.19%.

Commercial Paper

The Company has the ability to issue unsecured commercial paper notes with maturities that vary but do not exceed 397 days from the date of issuance primarily to fund working capital needs. The Company had no borrowings outstanding under the commercial paper note program as of July 30, 2023.

Long-Term Debt

The carrying amounts of the Company's long-term debt were as follows:

(In millions)	7/30/23	1/29/23	7/31/22
Senior unsecured Term Loan A facility due 2027 ⁽¹⁾⁽²⁾	\$ 477.3	\$ 476.6	\$ —
Senior unsecured Term Loan A facility due 2024 ⁽²⁾	—	—	457.8
7 3/4% debentures due 2023	100.0	99.9	99.9
3 5/8% senior unsecured euro notes due 2024 ⁽²⁾	576.8	568.1	532.5
4 5/8% senior unsecured notes due 2025	497.6	497.0	496.4
3 1/8% senior unsecured euro notes due 2027 ⁽²⁾	656.8	647.3	607.1
Total	2,308.5	2,288.9	2,193.7
Less: Current portion of long-term debt	688.9	111.9	38.2
Long-term debt	\$ 1,619.6	\$ 2,177.0	\$ 2,155.5

⁽¹⁾ The outstanding principal balance for the euro-denominated Term Loan A facility was €435.1 million as of July 30, 2023.

⁽²⁾ The carrying amount of the euro-denominated Term Loan A facilities and the senior unsecured euro notes includes the impact of changes in the exchange rate of the United States dollar against the euro.

Please see Note 10, "Fair Value Measurements," for the fair value of the Company's long-term debt as of July 30, 2023, January 29, 2023 and July 31, 2022.

The Company's mandatory long-term debt repayments for the remainder of 2023 through 2028 were as follows as of July 30, 2023:

(In millions)	
<u>Fiscal Year</u>	<u>Amount</u> ⁽¹⁾
Remainder of 2023	\$ 106.1
2024	590.5
2025	512.1
2026	12.1
2027	1,097.8
2028	—

⁽¹⁾ A portion of the Company's mandatory long-term debt repayments is denominated in euros and subject to changes in the exchange rate of the United States dollar against the euro.

Total debt repayments for the remainder of 2023 through 2028 exceed the total carrying amount of the Company's debt as of July 30, 2023 because the carrying amount reflects the unamortized portions of debt issuance costs and the original issue discounts.

As of July 30, 2023, approximately 80% of the Company's long-term debt had fixed interest rates, with the remainder at variable interest rates.

2022 Senior Unsecured Credit Facilities

On December 9, 2022, the Company entered into new senior unsecured credit facilities (the "2022 facilities"), the proceeds of which, along with cash on hand, were used to repay all of the outstanding borrowings under the 2019 facilities (as defined below), as well as the related debt issuance costs.

The 2022 facilities consist of (a) a €440.6 million euro-denominated Term Loan A facility (the "Euro TLA facility"), (b) a \$1,150.0 million United States dollar-denominated multicurrency revolving credit facility (the "multicurrency revolving credit facility"), which is available in (i) United States dollars, (ii) Australian dollars (limited to A\$50.0 million), (iii) Canadian dollars (limited to C\$70.0 million), or (iv) euros, yen, pounds sterling, Swiss francs or other agreed foreign currencies (limited

to €250.0 million), and (c) a \$50.0 million United States dollar-denominated revolving credit facility available in United States dollars or Hong Kong dollars (together with the multicurrency revolving credit facility, the “revolving credit facilities”). The 2022 facilities are due on December 9, 2027.

The Company had loans outstanding of \$477.3 million, net of debt issuance costs and based on applicable exchange rates, under the Euro TLA facility as of July 30, 2023.

The Company made payments of \$6.0 million on its term loan under the 2022 facilities during the twenty-six weeks ended July 30, 2023. The Company made payments of \$13.4 million on its term loan under the 2019 facilities during the twenty-six weeks ended July 31, 2022.

The current applicable margin with respect to the Euro TLA facility as of July 30, 2023 was 1.250%. The current applicable margin with respect to the revolving credit facilities as of July 30, 2023 was 0.125% for loans bearing interest at the base rate, Canadian prime rate or daily simple euro short term rate and 1.125% for loans bearing interest at the euro interbank offered rate (“EURIBOR”) or any other rate specified in the 2022 facilities. The applicable margin for borrowings under the Euro TLA facility and each revolving credit facility is subject to adjustment (i) after the date of delivery of the compliance certificate and financial statements, with respect to each of the Company’s fiscal quarters, based upon the Company’s net leverage ratio or (ii) after the date of delivery of notice of a change in the Company’s public debt rating by Standard & Poor’s or Moody’s.

The 2022 facilities require the Company to comply with customary affirmative, negative and financial covenants, including a maximum net leverage ratio, calculated in a manner set forth in the terms of the 2022 facilities. Please see Note 8, “Debt,” in the Notes to Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 29, 2023 for further discussion of the 2022 facilities.

2019 Senior Unsecured Credit Facilities

On April 29, 2019, the Company entered into senior unsecured credit facilities (as amended, the “2019 facilities”). The Company replaced the 2019 facilities with the 2022 facilities on December 9, 2022 as discussed above in the section entitled “2022 Senior Unsecured Credit Facilities.” The 2019 facilities included a €500.0 million euro-denominated Term Loan A facility, of which €440.6 million was outstanding as of the date it was replaced, and senior unsecured revolving credit facilities.

7 3/4% Debentures Due 2023

The Company has outstanding \$100.0 million of debentures due November 15, 2023 that accrue interest at the rate of 7 3/4%. The debentures are not redeemable at the Company’s option prior to maturity.

3 5/8% Euro Senior Notes Due 2024

The Company has outstanding €525.0 million principal amount of 3 5/8% senior notes due July 15, 2024. The Company may redeem some or all of these notes at any time prior to April 15, 2024 by paying a “make whole” premium plus any accrued and unpaid interest. In addition, the Company may redeem some or all of these notes on or after April 15, 2024 at their principal amount plus any accrued and unpaid interest.

4 5/8% Senior Notes Due 2025

The Company has outstanding \$500.0 million principal amount of 4 5/8% senior notes due July 10, 2025. The Company may redeem some or all of these notes at any time prior to June 10, 2025 by paying a “make whole” premium plus any accrued and unpaid interest. In addition, the Company may redeem some or all of these notes on or after June 10, 2025 at their principal amount plus any accrued and unpaid interest.

3 1/8% Euro Senior Notes Due 2027

The Company has outstanding €600.0 million principal amount of 3 1/8% senior notes due December 15, 2027. The Company may redeem some or all of these notes at any time prior to September 15, 2027 by paying a “make whole” premium plus any accrued and unpaid interest. In addition, the Company may redeem some or all of these notes on or after September 15, 2027 at their principal amount plus any accrued and unpaid interest.

The Company's financing arrangements contain financial and non-financial covenants and customary events of default. As of July 30, 2023, the Company was in compliance with all applicable financial and non-financial covenants under its financing arrangements.

The Company also has standby letters of credit primarily to collateralize the Company's insurance and lease obligations. The Company had \$80.5 million of these standby letters of credit outstanding as of July 30, 2023.

Please see Note 8, "Debt," in the Notes to Consolidated Financial Statements included in Item 8 of the Company's Annual Report on Form 10-K for the year ended January 29, 2023 for further discussion of the Company's debt.

8. INCOME TAXES

The effective income tax rates for the thirteen weeks ended July 30, 2023 and July 31, 2022 were 21.3% and 26.4%, respectively. The effective income tax rates for the twenty-six weeks ended July 30, 2023 and July 31, 2022 were 22.4% and 28.0%, respectively. The effective income tax rates for the thirteen and twenty-six weeks ended July 30, 2023 were lower than the respective prior year periods primarily due to a change in the mix of international and domestic earnings.

9. DERIVATIVE FINANCIAL INSTRUMENTS

Cash Flow Hedges

The Company has exposure to changes in foreign currency exchange rates related to anticipated cash flows associated with certain international inventory purchases. The Company uses foreign currency forward exchange contracts to hedge against a portion of this exposure.

The Company records the foreign currency forward exchange contracts at fair value in its Consolidated Balance Sheets and does not net the related assets and liabilities. The foreign currency forward exchange contracts associated with certain international inventory purchases are designated as effective hedging instruments ("cash flow hedges"). As such, the changes in the fair value of the cash flow hedges are recorded in equity as a component of accumulated other comprehensive loss ("AOCL"). No amounts were excluded from effectiveness testing.

Net Investment Hedges

The Company has exposure to changes in foreign currency exchange rates related to the value of its investments in foreign subsidiaries denominated in a currency other than the United States dollar. To hedge against a portion of this exposure, the Company designated the carrying amounts of its (i) €600.0 million principal amount of 3 1/8% senior notes due 2027 and (ii) €525.0 million principal amount of 3 5/8% senior notes due 2024 (collectively, "foreign currency borrowings"), that were issued by PVH Corp., a U.S.-based entity, as net investment hedges of its investments in certain of its foreign subsidiaries that use the euro as their functional currency. Please see Note 7, "Debt," for further discussion of the Company's foreign currency borrowings.

The Company records the foreign currency borrowings at carrying value in its Consolidated Balance Sheets. The carrying value of the foreign currency borrowings is remeasured at the end of each reporting period to reflect changes in the foreign currency exchange spot rate. Since the foreign currency borrowings are designated as net investment hedges, such remeasurement is recorded in equity as a component of AOCL. The fair value and the carrying value of the foreign currency borrowings designated as net investment hedges were \$1,199.1 million and \$1,233.6 million, respectively, as of July 30, 2023, \$1,192.0 million and \$1,215.4 million, respectively, as of January 29, 2023 and \$1,147.8 million and \$1,139.6 million, respectively, as of July 31, 2022. The Company evaluates the effectiveness of its net investment hedges at inception and at the beginning of each quarter thereafter. No amounts were excluded from effectiveness testing.

Undesignated Contracts

The Company records immediately in earnings changes in the fair value of hedges that are not designated as effective hedging instruments ("undesignated contracts"), which primarily include foreign currency forward exchange contracts related to third party and intercompany transactions, and intercompany loans that are not of a long-term investment nature. Any gains and losses that are immediately recognized in earnings on such contracts are largely offset by the remeasurement of the underlying balances.

The Company does not use derivative or non-derivative financial instruments for trading or speculative purposes. The cash flows from the Company's hedges are presented in the same category in the Company's Consolidated Statements of Cash Flows as the items being hedged.

The following table summarizes the fair value and presentation of the Company's derivative financial instruments in its Consolidated Balance Sheets:

(In millions)	Assets						Liabilities					
	7/30/23		1/29/23		7/31/22		7/30/23		1/29/23		7/31/22	
	Other Current Assets	Other Assets	Other Current Assets	Other Assets	Other Current Assets	Other Assets	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities
Contracts designated as cash flow hedges:												
Foreign currency forward exchange contracts (inventory purchases)	\$ 6.7	\$ —	\$ 15.7	\$ 0.1	\$ 84.5	\$ 2.5	\$ 21.8	\$ 1.4	\$ 20.7	\$ 2.2	\$ 1.1	\$ 0.1
Undesignated contracts:												
Foreign currency forward exchange contracts	0.2	—	—	—	6.7	—	4.3	—	12.5	—	1.5	—
Total	\$ 6.9	\$ —	\$ 15.7	\$ 0.1	\$ 91.2	\$ 2.5	\$ 26.1	\$ 1.4	\$ 33.2	\$ 2.2	\$ 2.6	\$ 0.1

The notional amount outstanding of foreign currency forward exchange contracts was \$1,333.7 million at July 30, 2023. Such contracts expire principally between August 2023 and January 2025.

The following tables summarize the effect of the Company's hedges designated as cash flow and net investment hedging instruments:

(In millions)	Gain (Loss) Recognized in Other Comprehensive Income (Loss)	
	7/30/23	7/31/22
Thirteen Weeks Ended		
Foreign currency forward exchange contracts (inventory purchases)	\$ 5.6	\$ 12.5
Foreign currency borrowings (net investment hedges)	(3.9)	38.2
Total	\$ 1.7	\$ 50.7
Twenty-Six Weeks Ended		
Foreign currency forward exchange contracts (inventory purchases)	\$ 8.0	\$ 45.8
Foreign currency borrowings (net investment hedges)	(16.9)	105.0
Total	\$ (8.9)	\$ 150.8

(In millions)	Amount of Gain Reclassified from AOCL into Income, Consolidated Statements of Operations Location, and Total Amount of Consolidated Statements of Operations Line Item					
	Amount Reclassified		Location	Total Statements of Operations Amount		
	7/30/23	7/31/22		7/30/23	7/31/22	
Thirteen Weeks Ended						
Foreign currency forward exchange contracts (inventory purchases)	\$ 5.4	\$ 5.2	Cost of goods sold	\$ 934.7	\$ 912.5	
Twenty-Six Weeks Ended						
Foreign currency forward exchange contracts (inventory purchases)	\$ 10.2	\$ 3.7	Cost of goods sold	\$ 1,842.3	\$ 1,796.5	

A net loss in AOCL on foreign currency forward exchange contracts at July 30, 2023 of \$4.8 million is estimated to be reclassified in the next 12 months in the Company's Consolidated Statement of Operations to cost of goods sold as the underlying inventory hedged by such forward exchange contracts is sold. Amounts recognized in AOCL for foreign currency borrowings would be recognized in earnings only upon the sale or substantially complete liquidation of the hedged net investment.

The following table summarizes the effect of the Company's undesignated contracts recognized in SG&A expenses in its Consolidated Statements of Operations:

(In millions)	(Loss) Gain Recognized in SG&A Expenses	
	7/30/23	7/31/22
Thirteen Weeks Ended		
Foreign currency forward exchange contracts ⁽¹⁾	\$ (1.8)	\$ 12.5
Twenty-Six Weeks Ended		
Foreign currency forward exchange contracts ⁽¹⁾	\$ (2.8)	\$ 26.6

⁽¹⁾ Any gains and losses that are immediately recognized in earnings on such contracts are largely offset by the remeasurement of the underlying balances.

The Company had no derivative financial instruments with credit risk-related contingent features underlying the related contracts as of July 30, 2023.

10. FAIR VALUE MEASUREMENTS

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three level hierarchy prioritizes the inputs used to measure fair value as follows:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 – Observable inputs other than quoted prices included in Level 1, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs derived principally from or corroborated by observable market data.

Level 3 – Unobservable inputs reflecting the Company's own assumptions about the inputs that market participants would use in pricing the asset or liability based on the best information available.

In accordance with the fair value hierarchy described above, the following table shows the fair value of the Company's financial assets and liabilities that are required to be remeasured at fair value on a recurring basis:

(In millions)	7/30/23				1/29/23				7/31/22			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:												
Foreign currency forward exchange contracts	N/A	\$ 6.9	N/A	\$ 6.9	N/A	\$ 15.8	N/A	\$ 15.8	N/A	\$ 93.7	N/A	\$ 93.7
Rabbi trust assets	9.4	N/A	N/A	9.4	7.2	N/A	N/A	7.2	5.1	N/A	N/A	5.1
Total Assets	\$ 9.4	\$ 6.9	N/A	\$ 16.3	\$ 7.2	\$ 15.8	N/A	\$ 23.0	\$ 5.1	\$ 93.7	N/A	\$ 98.8
Liabilities:												
Foreign currency forward exchange contracts	N/A	\$ 27.5	N/A	\$ 27.5	N/A	\$ 35.4	N/A	\$ 35.4	N/A	\$ 2.7	N/A	\$ 2.7
Total Liabilities	N/A	\$ 27.5	N/A	\$ 27.5	N/A	\$ 35.4	N/A	\$ 35.4	N/A	\$ 2.7	N/A	\$ 2.7

The fair value of the foreign currency forward exchange contracts is measured as the total amount of currency to be purchased, multiplied by the difference between (i) the forward rate as of the period end and (ii) the settlement rate specified in each contract. The fair value of the rabbi trust assets, which consist of investments in mutual funds, is valued at the net asset value of the funds, as determined by the closing price in the active market in which the individual fund is traded.

The Company established a rabbi trust that, beginning January 1, 2022, holds investments related to the Company's supplemental savings plan. The rabbi trust is considered a variable interest entity and it is consolidated in the Company's financial statements because the Company is considered the primary beneficiary of the rabbi trust. The rabbi trust assets, which generally mirror the investment elections made by eligible plan participants, were \$9.4 million, \$7.2 million and \$5.1 million as of July 30, 2023, January 29, 2023 and July 31, 2022, respectively, and recorded in the Company's Consolidated Balance Sheets as follows: \$1.5 million and \$7.9 million were included in other current assets and other assets, respectively, as of July 30, 2023, \$0.7 million and \$6.5 million were included in other current assets and other assets, respectively, as of January 29, 2023, and \$0.1 million and \$5.0 million were included in other current assets and other assets, respectively, as of July 31, 2022. The corresponding deferred compensation liability was included in accrued expenses and other liabilities in the Company's Consolidated Balance Sheets as of July 30, 2023, January 29, 2023 and July 31, 2022. Unrealized gains (losses) recognized on the rabbi trust investments were immaterial during the twenty-six weeks ended July 30, 2023 and July 31, 2022.

There were no transfers between any levels of the fair value hierarchy for any of the Company's fair value measurements.

The Company's non-financial assets, which primarily consist of goodwill, other intangible assets, property, plant and equipment, and operating lease right-of-use assets, are not required to be measured at fair value on a recurring basis, and instead are reported at their carrying amount. However, on a periodic basis whenever events or changes in circumstances indicate that their carrying amount may not be fully recoverable (and at least annually for goodwill and indefinite-lived intangible assets), non-financial assets are assessed for impairment. If the fair value is determined to be lower than the carrying amount, an impairment charge is recorded to write down the asset to its fair value.

The following table shows the fair values of the Company's non-financial assets that were required to be remeasured at fair value on a non-recurring basis during the twenty-six weeks ended July 31, 2022, and the total impairments recorded as a result of the remeasurement process (There were no impairments recorded during the twenty-six weeks ended July 30, 2023.):

(In millions)	Fair Value Measurement Using			Fair Value As Of Impairment Date	Total Impairments
	Level 1	Level 2	Level 3		
7/31/22					
Operating lease right-of-use assets	N/A	N/A	\$ —	\$ —	\$ 26.4
Property, plant and equipment, net	N/A	N/A	—	—	17.2

Operating lease right-of-use assets with a carrying amount of \$26.4 million and property, plant and equipment with a carrying amount of \$17.2 million were written down to a fair value of zero during the twenty-six weeks ended July 31, 2022 in

connection with the Company’s decision in the second quarter of 2022 to exit from its Russia business. Please see Note 14, “Exit Activity Costs,” for further discussion of the Russia business exit costs. Fair value of the Company’s operating lease right-of-use assets and property, plant and equipment were determined to be zero in line with the Company’s estimated future cash flows for the Russia business asset group.

The \$43.6 million of impairment charges during the twenty-six weeks ended July 31, 2022 were included in SG&A expenses in the Company’s Consolidated Statement of Operations and recorded to the Company’s segments as follows: \$33.7 million in the Tommy Hilfiger International segment and \$9.9 million in the Calvin Klein International segment.

The carrying amounts and the fair values of the Company’s cash and cash equivalents, short-term borrowings and long-term debt were as follows:

(In millions)	7/30/23		1/29/23		7/31/22	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 372.8	\$ 372.8	\$ 550.7	\$ 550.7	\$ 699.3	\$ 699.3
Short-term borrowings	15.2	15.2	46.2	46.2	12.2	12.2
Long-term debt (including portion classified as current)	2,308.5	2,262.2	2,288.9	2,262.3	2,193.7	2,210.9

The fair values of cash and cash equivalents and short-term borrowings approximate their carrying amounts due to the short-term nature of these instruments. The Company estimates the fair value of its long-term debt using quoted market prices as of the last business day of the applicable quarter. The Company classifies the measurement of its long-term debt as a Level 1 measurement. The carrying amounts of long-term debt reflect the unamortized portions of debt issuance costs and the original issue discounts.

11. STOCK-BASED COMPENSATION

The Company grants stock-based awards under its Stock Incentive Plan (the “Plan”). Awards that may be granted under the Plan include, but are not limited to (i) service-based non-qualified stock options (“stock options”); (ii) service-based restricted stock units (“RSUs”); and (iii) contingently issuable performance share units (“PSUs”). Please see Note 13, “Stock-Based Compensation,” in the Notes to Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 29, 2023 for a detailed description of the Company’s stock-based compensation awards, including information relating to vesting terms and service, performance and market conditions, and additional information.

According to the terms of the Plan, for purposes of determining the number of shares available for grant, each share underlying a stock option award reduces the number available by one share and each share underlying an RSU or PSU award reduces the number available by two shares for awards made before June 22, 2023 and by 1.6 shares for awards made on or after June 22, 2023.

Net income for the twenty-six weeks ended July 30, 2023 and July 31, 2022 included \$27.4 million and \$22.8 million, respectively, of pre-tax expense related to stock-based compensation, with related recognized income tax benefits of \$3.4 million and \$3.0 million, respectively.

Stock Options

The Company estimates the fair value of stock options at the date of grant using the Black-Scholes-Merton model. The estimated fair value of the stock options granted is expensed over the stock options’ requisite service periods.

The following summarizes the assumptions used to estimate the fair value of stock options granted during the twenty-six weeks ended July 30, 2023 and the resulting weighted average grant date fair value per stock option:

	7/30/23
Weighted average risk-free interest rate	3.33 %
Weighted average expected stock option term (in years)	6.25
Weighted average Company volatility	50.60 %
Expected annual dividends per share	\$ 0.15
Weighted average grant date fair value per stock option	\$ 43.47

Stock option activity for the twenty-six weeks ended July 30, 2023 was as follows:

(In thousands, except per stock option data)	Stock Options	Weighted Average Exercise Price Per Stock Option
Outstanding at January 29, 2023	694	\$ 98.08
Granted	86	83.80
Exercised	—	—
Forfeited / Expired	62	114.47
Outstanding at July 30, 2023	<u>718</u>	<u>\$ 94.95</u>

RSUs

The fair value of RSUs is equal to the closing price of the Company's common stock on the date of grant and is expensed over the RSUs' requisite service periods.

RSU activity for the twenty-six weeks ended July 30, 2023 was as follows:

(In thousands, except per RSU data)	RSUs	Weighted Average Grant Date Fair Value Per RSU
Non-vested at January 29, 2023	1,325	\$ 77.33
Granted	626	83.82
Vested	392	80.29
Forfeited	62	81.54
Non-vested at July 30, 2023	<u>1,497</u>	<u>\$ 79.10</u>

PSUs

The Company currently has PSU awards outstanding subject to three-year performance periods from the applicable grant date. The final number of shares to be earned, if any, is contingent upon the Company's achievement of goals for the applicable performance period. Each outstanding award is subject to various performance and/or market conditions goals as follows:

Grant Year	Goal for 50% of the Award	Goal for 50% of the Award
2020	Company total shareholder return ("TSR") relative to companies included in the S&P 500 as of the grant date	Company's absolute stock price growth during a three-year performance period
2021	Company TSR relative to a pre-established group of industry peers	Company's earnings before interest and taxes ("EBIT") during fiscal 2021
2022	Company TSR relative to a pre-established group of industry peers	Company's cumulative EBIT during a fiscal three-year performance period
2023	Company TSR relative to a pre-established group of industry peers	Company's average return on invested capital ("ROIC") during a fiscal three-year performance period

For awards granted in the first and second quarters of 2020, the applicable three-year performance periods have ended, and the holders of the awards earned an aggregate of 105,000 shares, which were between target and maximum levels.

The Company granted contingently issuable PSUs to certain of the Company's senior executives during the first quarter of 2023. For such awards, the Company records expense ratably over the three-year service period, with expense determined as follows: (i) TSR-based portion of the awards – based on the grant date fair value regardless of whether the market condition is satisfied because the awards are subject to market conditions and (ii) ROIC-based portion of the awards – based on the grant date fair value per share and the Company's current expectations of the probable number of shares that will ultimately be issued. The grant date fair value of the awards granted was established as follows: (i) TSR-based portion of the awards – using the Monte Carlo simulation model and (ii) ROIC-based portion of the awards – based on the closing price of the Company's common stock reduced for the present value of any dividends expected to be paid on such common stock during the three-year service period, as these contingently issuable PSUs do not accrue dividends.

The following summarizes the assumptions used to estimate the fair value of PSUs subject to market conditions that were granted during the twenty-six weeks ended July 30, 2023 and the resulting weighted average grant date fair value:

	7/30/23
Weighted average risk-free interest rate	3.56 %
Weighted average Company volatility	58.21 %
Expected annual dividends per share	\$ 0.15
Weighted average grant date fair value per PSU	\$ 120.42

For certain of the awards granted, the after-tax portion of the award is subject to a holding period of one year after the vesting date. For these awards, the grant date fair value was discounted 7.40% for the restriction of liquidity, which was calculated using the Finnerty model.

Total PSU activity for the twenty-six weeks ended July 30, 2023 was as follows:

(In thousands, except per PSU data)	PSUs	Weighted Average Grant Date Fair Value Per PSU
Non-vested at January 29, 2023	244	\$ 84.40
Granted	122	100.44
Change due to market conditions achieved above target	36	58.39
Vested	105	58.38
Forfeited	—	—
Non-vested at July 30, 2023	297	\$ 97.00

12. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables present the changes in AOCL, net of related taxes, by component for the twenty-six weeks ended July 30, 2023 and July 31, 2022:

(In millions)	Foreign currency translation adjustments	Net unrealized and realized (loss) gain on effective cash flow hedges	Total
Balance, January 29, 2023	\$ (710.1)	\$ (3.0)	\$ (713.1)
Other comprehensive (loss) income before reclassifications	(8.3) ⁽¹⁾	5.5	(2.8)
Less: Amounts reclassified from AOCL	—	7.2	7.2
Other comprehensive loss	(8.3)	(1.7)	(10.0)
Balance, July 30, 2023	\$ (718.4)	\$ (4.7)	\$ (723.1)

(In millions)	Foreign currency translation adjustments	Net unrealized and realized gain on effective cash flow hedges	Total
Balance, January 30, 2022	\$ (665.9)	\$ 53.2	\$ (612.7)
Other comprehensive (loss) income before reclassifications	(148.4) ⁽¹⁾⁽²⁾	33.9	(114.5)
Less: Amounts reclassified from AOCL	(3.4) ⁽³⁾	2.6	(0.8)
Other comprehensive (loss) income	(145.0)	31.3	(113.7)
Balance, July 31, 2022	\$ (810.9)	\$ 84.5	\$ (726.4)

⁽¹⁾ Foreign currency translation adjustments included a net (loss) gain on net investment hedges of \$(12.7) million and \$78.8 million during the twenty-six weeks ended July 30, 2023 and July 31, 2022, respectively.

⁽²⁾ Unfavorable foreign currency translation adjustments were principally driven by a strengthening of the United States dollar against the euro.

⁽³⁾ Foreign currency translation adjustment losses were reclassified from AOCL during the second quarter of 2022 in connection with the Karl Lagerfeld transaction. Please see Note 4, "Investments in Unconsolidated Affiliates," for further discussion.

The following table presents reclassifications from AOCL to earnings for the thirteen and twenty-six weeks ended July 30, 2023 and July 31, 2022:

(In millions)	Amount Reclassified from AOCL				Affected Line Item in the Company's Consolidated Statements of Operations
	Thirteen Weeks Ended		Twenty-Six Weeks Ended		
	7/30/23	7/31/22	7/30/23	7/31/22	
Realized gain on effective cash flow hedges:					
Foreign currency forward exchange contracts (inventory purchases)	\$ 5.4	\$ 5.2	\$ 10.2	\$ 3.7	Cost of goods sold
Less: Tax effect	1.6	1.4	3.0	1.1	Income tax expense
Total, net of tax	<u>\$ 3.8</u>	<u>\$ 3.8</u>	<u>\$ 7.2</u>	<u>\$ 2.6</u>	
Foreign currency translation adjustments:					
Karl Lagerfeld transaction	\$ —	\$ (3.4) ⁽¹⁾	\$ —	\$ (3.4) ⁽¹⁾	Equity in net income of unconsolidated affiliates
Less: Tax effect	—	—	—	—	Income tax expense
Total, net of tax	<u>\$ —</u>	<u>\$ (3.4)</u>	<u>\$ —</u>	<u>\$ (3.4)</u>	

⁽¹⁾ Foreign currency translation adjustment losses were reclassified from AOCL during the second quarter of 2022 in connection with the Karl Lagerfeld transaction. Please see Note 4, "Investments in Unconsolidated Affiliates," for further discussion.

13. STOCKHOLDERS' EQUITY

The Company's Board of Directors has authorized over time beginning in 2015 an aggregate \$3.0 billion stock repurchase program through June 3, 2026. Repurchases under the program may be made from time to time over the period through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as the Company deems appropriate. Purchases are made based on a variety of factors, such as price, corporate requirements and overall market conditions, applicable legal requirements and limitations, trading restrictions under the Company's insider trading policy and other relevant factors. The program may be modified by the Board of Directors, including to increase or decrease the repurchase limitation or extend, suspend or terminate the program at any time, without prior notice. Beginning January 1, 2023, the Company's share repurchases in excess of issuances are subject to a 1% excise tax enacted by the Inflation Reduction Act.

During the twenty-six weeks ended July 31, 2022, the Company purchased 3.2 million shares of its common stock under the program in open market transactions for \$224.4 million. During the twenty-six weeks ended July 30, 2023, the Company purchased 2.4 million shares of its common stock under the program in open market transactions for \$200.2 million, excluding excise taxes of \$1.7 million. As of July 30, 2023, the repurchased shares were held as treasury stock and \$623.3 million of the authorization remained available for future share repurchases, excluding excise taxes, as the excise taxes do not reduce the authorized amount remaining.

Treasury stock activity also includes shares that were withheld in conjunction with the settlement of RSUs and PSUs to satisfy tax withholding requirements.

14. EXIT ACTIVITY COSTS

2022 Cost Savings Initiative

The Company announced in August 2022 that it would be taking steps to streamline its organization and simplify its ways of working. Included in this was a planned reduction in people costs in its global offices by approximately 10% by the end of 2023 to drive efficiencies and enable continued strategic investments to fuel growth, including in digital, supply chain and consumer engagement. The Company expects these reductions will generate annual cost savings of over \$100 million, net of continued strategic people investments. In connection with this initiative, the Company recorded \$20.2 million of pre-tax costs during 2022 and \$39.0 million of pre-tax costs during the thirteen and twenty-six weeks ended July 30, 2023 and expects to incur additional costs of approximately \$21 million in the third quarter of 2023.

(In millions)	Total Costs Expected to be Incurred	Costs Incurred During the Thirteen and Twenty-Six Weeks Ended 7/30/23	Cumulative Costs Incurred ⁽¹⁾
Severance, termination benefits and other employee costs	\$ 80.0	\$ 39.0	\$ 59.2

⁽¹⁾ There were no costs incurred during the thirteen and twenty-six week periods ended July 31, 2022.

Of the charges incurred during the thirteen and twenty-six weeks ended July 30, 2023, \$6.4 million related to SG&A expenses of the Tommy Hilfiger North America segment, \$12.3 million related to SG&A expenses of the Tommy Hilfiger International segment, \$5.9 million related to SG&A expenses of the Calvin Klein North America segment, \$8.5 million related to SG&A expenses of the Calvin Klein International segment, \$4.6 million related to SG&A expenses of the Heritage Brands Wholesale segment and \$1.3 million related to corporate SG&A expenses not allocated to any reportable segment. There were \$20.2 million of charges incurred during 2022, of which \$4.7 million related to SG&A expenses of the Tommy Hilfiger North America segment, \$2.5 million related to SG&A expenses of the Tommy Hilfiger International segment, \$4.6 million related to SG&A expenses of the Calvin Klein North America segment, \$3.5 million related to SG&A expenses of the Calvin Klein International segment, \$2.6 million related to SG&A expenses of the Heritage Brands Wholesale segment and \$2.3 million related to corporate SG&A expenses not allocated to any reportable segment. Please see Note 16, "Segment Data," for further discussion of the Company's reportable segments.

The liabilities at July 30, 2023 related to these costs were principally recorded in accrued expenses in the Company's Consolidated Balance Sheet and were as follows:

(In millions)	Liability at 1/29/23	Costs Incurred During the Twenty-Six Weeks Ended 7/30/23	Costs Paid During the Twenty-Six Weeks Ended 7/30/23	Liability at 7/30/23
Severance, termination benefits and other employee costs	\$ 13.2	\$ 39.0	\$ 8.7	\$ 43.5

Russia Business Exit Costs

As a result of the war in Ukraine, the Company made the decision in the second quarter of 2022 to exit from its Russia business, including the closure of its retail stores in Russia and the cessation of its wholesale operations in Russia and Belarus. In connection with this exit, the Company recorded pre-tax costs during 2022 as shown in the following table. All expected costs related to the exit from the Russia business were incurred during 2022.

(In millions)	Costs Incurred During the Thirteen and Twenty-Six Weeks Ended 7/31/22		Cumulative Net Costs Incurred	
Severance, termination benefits and other employee costs	\$	2.1	\$	2.1
Long-lived asset impairments		43.6		43.6
Contract termination and other costs, net of gain on lease terminations ⁽¹⁾		4.8		(2.7)
Total	\$	50.5	\$	43.0

⁽¹⁾ Contract termination and other costs, net of gain on lease terminations includes \$4.8 million of contract termination and other costs recorded during the second quarter of 2022 and a \$7.5 million gain related to the early termination of certain store lease agreements in Russia recorded during the fourth quarter of 2022.

Of the costs incurred during the thirteen and twenty-six weeks ended July 31, 2022, \$36.7 million relate to SG&A expenses of the Tommy Hilfiger International segment and \$13.8 million relate to SG&A expenses of the Calvin Klein International segment. Of the cumulative net costs incurred during 2022, \$31.6 million relate to SG&A expenses of the Tommy Hilfiger International segment and \$11.4 million relate to SG&A expenses of the Calvin Klein International segment. Please see Note 16, "Segment Data," for further discussion of the Company's reportable segments.

The liabilities at July 30, 2023 related to these costs were principally recorded in accrued expenses in the Company's Consolidated Balance Sheet and were as follows:

(In millions)	Liability at 1/29/23	Costs Incurred During the Twenty-Six Weeks Ended 7/30/23	Costs Paid During the Twenty-Six Weeks Ended 7/30/23	Liability at 7/30/23
Severance, termination benefits and other employee costs	\$ 0.4	\$ —	\$ 0.1	\$ 0.3
Contract termination and other costs	0.5	—	0.4	0.1
Total	\$ 0.9	\$ —	\$ 0.5	\$ 0.4

15. NET INCOME PER COMMON SHARE

The Company computed its basic and diluted net income per common share as follows:

(In millions, except per share data)	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	7/30/23	7/31/22	7/30/23	7/31/22
Net income	\$ 94.2	\$ 115.3	\$ 230.2	\$ 248.4
Weighted average common shares outstanding for basic net income per common share	62.1	66.6	62.4	67.3
Weighted average impact of dilutive securities	0.6	0.4	0.7	0.6
Total shares for diluted net income per common share	62.7	67.0	63.1	67.9
Basic net income per common share	\$ 1.52	\$ 1.73	\$ 3.69	\$ 3.69
Diluted net income per common share	\$ 1.50	\$ 1.72	\$ 3.65	\$ 3.66

Potentially dilutive securities excluded from the calculation of diluted net income per common share as the effect would be anti-dilutive were as follows:

(In millions)	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	7/30/23	7/31/22	7/30/23	7/31/22
Weighted average potentially dilutive securities	0.8	1.8	0.9	1.4

Shares underlying contingently issuable awards that have not met the necessary conditions as of the end of a reporting period are not included in the calculation of diluted net income per common share for that period. The Company had contingently issuable PSU awards outstanding that did not meet the performance conditions as of July 30, 2023 and July 31, 2022 and, therefore, were excluded from the calculation of diluted net income per common share for each applicable period. The maximum number of potentially dilutive shares that could be issued upon vesting for such awards was 0.3 million and 0.4 million as of July 30, 2023 and July 31, 2022, respectively. These amounts were also excluded from the computation of weighted average potentially dilutive securities in the table above.

16. SEGMENT DATA

The Company manages its operations through its operating divisions, which are presented as its reportable segments: (i) Tommy Hilfiger North America; (ii) Tommy Hilfiger International; (iii) Calvin Klein North America; (iv) Calvin Klein International; and (v) Heritage Brands Wholesale.

Tommy Hilfiger North America Segment - This segment consists of the Company's Tommy Hilfiger North America division. This segment derives revenue principally from (i) marketing *TOMMY HILFIGER* branded apparel and related products at wholesale in the United States and Canada, primarily to department stores and off-price and independent retailers, as well as digital commerce sites operated by department store customers and pure play digital commerce retailers; (ii) operating retail stores, which are primarily located in premium outlet centers in the United States and Canada, and a digital commerce site in the United States, which sells *TOMMY HILFIGER* branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the *TOMMY HILFIGER* brand names for a broad range of product categories in North America. This segment also includes the Company's proportionate share of the net income or loss of its investments in its unconsolidated affiliate in Mexico and its unconsolidated PVH Legwear LLC ("PVH Legwear") affiliate relating to each affiliate's Tommy Hilfiger business.

Tommy Hilfiger International Segment - This segment consists of the Company's Tommy Hilfiger International division. This segment derives revenue principally from (i) marketing *TOMMY HILFIGER* branded apparel and related products at wholesale principally in Europe, Asia and Australia, primarily to department and specialty stores, and digital commerce sites operated by department store customers and pure play digital commerce retailers, as well as through distributors and franchisees; (ii) operating retail stores, concession locations and digital commerce sites in Europe, Asia and Australia, which sell *TOMMY HILFIGER* branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the *TOMMY HILFIGER* brand names for a broad range of product categories outside of North America. This segment also includes the Company's proportionate share of the net income or loss of its investments in its unconsolidated affiliate in Brazil and its unconsolidated affiliate in India relating to each affiliate's Tommy Hilfiger business.

Calvin Klein North America Segment - This segment consists of the Company's Calvin Klein North America division. This segment derives revenue principally from (i) marketing *Calvin Klein* branded apparel and related products at wholesale in the United States and Canada, primarily to warehouse clubs, department and specialty stores, and off-price and independent retailers, as well as digital commerce sites operated by department store customers and pure play digital commerce retailers; (ii) operating retail stores, which are primarily located in premium outlet centers in the United States and Canada, and a digital commerce site in the United States, which sells *Calvin Klein* branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the *Calvin Klein* brand names for a broad range of product categories in North America. This segment also includes the Company's proportionate share of the net income or loss of its investments in its unconsolidated affiliate in Mexico and its unconsolidated PVH Legwear affiliate relating to each affiliate's Calvin Klein business.

Calvin Klein International Segment - This segment consists of the Company's Calvin Klein International division. This segment derives revenue principally from (i) marketing *Calvin Klein* branded apparel and related products at wholesale principally in Europe, Asia, Brazil and Australia, primarily to department and specialty stores, and digital commerce sites

operated by department store customers and pure play digital commerce retailers, as well as through distributors and franchisees; (ii) operating retail stores, concession locations and digital commerce sites in Europe, Asia, Brazil and Australia, which sell *Calvin Klein* branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the *Calvin Klein* brand names for a broad range of product categories outside of North America. This segment also includes the Company's proportionate share of the net income or loss of its investment in its unconsolidated affiliate in India relating to the affiliate's Calvin Klein business.

Heritage Brands Wholesale Segment - This segment consists of the Company's Heritage Brands Wholesale division. This segment derives revenue primarily from the marketing to department, chain and specialty stores, warehouse clubs, mass market, and off-price retailers (in stores and online), as well as pure play digital commerce retailers primarily in North America of (i) women's intimate apparel under the *Warner's*, *Olga* and *True&Co.* brands; (ii) men's underwear under the *Nike* brand, which is licensed; and (iii) men's dress shirts under the *Van Heusen* brand, which is licensed, as well as under various other licensed brand names. This segment also includes the Company's proportionate share of the net income or loss of its investments in its unconsolidated affiliate in Mexico and its unconsolidated PVH Legwear affiliate relating to each affiliate's business under various owned and licensed brand names.

The Company's revenue by segment was as follows:

(In millions)	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	7/30/23 ⁽¹⁾	7/31/22 ⁽¹⁾	7/30/23 ⁽¹⁾	7/31/22 ⁽¹⁾
Revenue – Tommy Hilfiger North America				
Net sales	\$ 297.6	\$ 288.2	\$ 564.3	\$ 523.7
Royalty revenue	18.5	17.1	38.8	37.9
Advertising and other revenue	4.3	4.2	8.8	9.4
Total	320.4	309.5	611.9	571.0
Revenue – Tommy Hilfiger International				
Net sales	800.2	749.5	1,613.0	1,539.8
Royalty revenue	13.9	14.9	29.6	29.4
Advertising and other revenue	4.7	4.6	9.0	9.2
Total	818.8	769.0	1,651.6	1,578.4
Revenue – Calvin Klein North America				
Net sales	269.9	301.0	497.6	557.9
Royalty revenue	34.4	34.2	70.1	76.4
Advertising and other revenue	10.5	11.5	21.4	25.5
Total	314.8	346.7	589.1	659.8
Revenue – Calvin Klein International				
Net sales	610.3	549.2	1,208.6	1,107.8
Royalty revenue	13.0	11.9	25.8	24.2
Advertising and other revenue	2.1	2.2	4.4	4.4
Total	625.4	563.3	1,238.8	1,136.4
Revenue – Heritage Brands Wholesale				
Net sales	127.2	143.2	272.8	308.5
Royalty revenue	0.3	0.2	0.5	0.4
Advertising and other revenue	0.1	0.1	0.2	0.2
Total	127.6	143.5	273.5	309.1
Total Revenue				
Net sales	2,105.2	2,031.1	4,156.3	4,037.7
Royalty revenue	80.1	78.3	164.8	168.3
Advertising and other revenue	21.7	22.6	43.8	48.7
Total	\$ 2,207.0	\$ 2,132.0	\$ 4,364.9	\$ 4,254.7

⁽¹⁾ Revenue was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.

The Company's revenue by distribution channel was as follows:

(In millions)	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	7/30/23 ⁽¹⁾	7/31/22 ⁽¹⁾	7/30/23 ⁽¹⁾	7/31/22 ⁽¹⁾
Wholesale net sales	\$ 1,039.9	\$ 1,073.8	\$ 2,254.2	\$ 2,309.1
Owned and operated retail stores	872.2	784.5	1,550.3	1,403.2
Owned and operated digital commerce sites	193.1	172.8	351.8	325.4
Retail net sales	1,065.3	957.3	1,902.1	1,728.6
Net sales	2,105.2	2,031.1	4,156.3	4,037.7
Royalty revenue	80.1	78.3	164.8	168.3
Advertising and other revenue	21.7	22.6	43.8	48.7
Total	\$ 2,207.0	\$ 2,132.0	\$ 4,364.9	\$ 4,254.7

⁽¹⁾ Revenue was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.

The Company's income before interest and taxes by segment was as follows:

(In millions)	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	7/30/23 ⁽¹⁾⁽³⁾	7/31/22 ⁽¹⁾	7/30/23 ⁽¹⁾⁽³⁾	7/31/22 ⁽¹⁾
Income (loss) before interest and taxes – Tommy Hilfiger North America	\$ 13.2	\$ (1.9)	\$ 15.5	\$ (14.9)
Income before interest and taxes – Tommy Hilfiger International	73.4	88.5 ⁽⁴⁾	199.7	227.9 ⁽⁴⁾
Income before interest and taxes – Calvin Klein North America	20.4	21.9	22.6	33.6
Income before interest and taxes – Calvin Klein International	80.2	78.4 ⁽⁴⁾	180.6	175.5 ⁽⁴⁾
Income before interest and taxes – Heritage Brands Wholesale	2.6	13.4	17.6	30.2
Loss before interest and taxes – Corporate ⁽²⁾	(46.5)	(23.3) ⁽⁵⁾	(93.9)	(65.0) ⁽⁵⁾
Income before interest and taxes	\$ 143.3	\$ 177.0	\$ 342.1	\$ 387.3

⁽¹⁾ Income (loss) before interest and taxes was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.

⁽²⁾ Includes corporate expenses not allocated to any reportable segments and the Company's proportionate share of the net income or loss of its investment in Karl Lagerfeld until the closing of the Karl Lagerfeld transaction on May 31, 2022. Please see Note 4, "Investments in Unconsolidated Affiliates," for further discussion. Corporate expenses represent overhead operating expenses and include expenses for senior corporate management, corporate finance, information technology related to corporate infrastructure, certain digital investments, certain corporate responsibility initiatives, certain global strategic initiatives and actuarial gains and losses on the Company's Pension Plans, SERP Plans and Postretirement Plans (which are generally recorded in the fourth quarter).

⁽³⁾ Income (loss) before interest and taxes for the thirteen and twenty-six weeks ended July 30, 2023 included costs of \$39.0 million incurred related to the 2022 cost savings initiative described in Note 14, "Exit Activity Costs," consisting principally of severance. Such costs were included in the Company's segments as follows: \$6.4 million in Tommy Hilfiger North America, \$12.3 million in Tommy Hilfiger International, \$5.9 million in Calvin Klein North America, \$8.5 million in Calvin Klein International, \$4.6 million in Heritage Brands Wholesale and \$1.3 in corporate expenses not allocated to any reportable segments. Please see Note 14, "Exit Activity Costs," for further discussion.

⁽⁴⁾ Income before interest and taxes for the thirteen and twenty-six weeks ended July 31, 2022 included costs of \$50.5 million incurred in connection with the Company's decision to exit from its Russia business, principally consisting of noncash asset impairments. Such costs were included in the Company's segments as follows: \$36.7 million in Tommy Hilfiger

International and \$13.8 million in Calvin Klein International. Please see Note 14, “Exit Activity Costs,” for further discussion.

⁽⁵⁾ Loss before interest and taxes for the thirteen and twenty-six weeks ended July 31, 2022 included a gain of \$16.1 million in connection with the Karl Lagerfeld transaction. Please see Note 4, “Investments in Unconsolidated Affiliates,” for further discussion.

Intersegment transactions, which primarily consist of transfers of inventory, are not material.

17. RECENT ACCOUNTING GUIDANCE

Recently Adopted Accounting Guidance

The Financial Accounting Standards Board (“FASB”) issued in September 2022 an update to accounting guidance requiring disclosures that increase the transparency surrounding the use of supplier finance programs, including the key terms of the programs, and information about the obligations under these programs, including a rollforward of those obligations. The update does not affect the recognition, measurement, or financial statement presentation of obligations covered by supplier finance programs. The Company adopted the update in the first quarter of 2023 on a retrospective basis, except for the requirement to disclose rollforward information, which will be effective for the Company in the first quarter of 2024 on a prospective basis. The adoption did not have any impact on the Company’s consolidated financial statements as the guidance only pertains to financial statements footnote disclosures. Please see Note 18, “Other Comments,” for the Company’s disclosures pertaining to this update.

The FASB issued in October 2021 an update to accounting guidance to improve the accounting for acquired revenue contracts with customers in a business combination by addressing diversity in practice and inconsistency related to their recognition and measurement. The update requires an acquirer to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with revenue recognition guidance. This generally will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree immediately before the acquisition date. Historically, such amounts were recognized by the acquirer at fair value. The Company adopted the update in the first quarter of 2023, which did not have an impact on the Company’s consolidated financial statements due to the absence of any applicable transactions. The impact on the Company’s consolidated financial statements will depend on the facts and circumstances of any future transactions.

18. OTHER COMMENTS

Warehouse and Distribution Expenses

The Company records warehousing and distribution expenses, which are subject to exchange rate fluctuations, as a component of SG&A expenses in its Consolidated Statements of Operations. Warehousing and distribution expenses incurred in the thirteen and twenty-six weeks ended July 30, 2023 totaled \$85.6 million and \$175.5 million, respectively. Warehousing and distribution expenses incurred in the thirteen and twenty-six weeks ended July 31, 2022 totaled \$82.0 million and \$166.8 million, respectively.

Allowance For Credit Losses

The Company is exposed to credit losses primarily through trade receivables from its customers and licensees. The Company records an allowance for credit losses as a reduction to its trade receivables for amounts that the Company does not expect to recover. An allowance for credit losses is determined through an analysis of the aging of accounts receivable and assessments of collectibility based on historical trends, the financial condition of the Company’s customers and licensees, including any known or anticipated bankruptcies, and an evaluation of current economic conditions as well as the Company’s expectations of conditions in the future. The Company writes off uncollectible trade receivables once collection efforts have been exhausted and third parties confirm the balance is not recoverable. The allowance for credit losses on trade receivables was \$42.0 million, \$42.6 million and \$49.1 million as of July 30, 2023, January 29, 2023 and July 31, 2022, respectively.

Supply Chain Finance Program

The Company has a voluntary supply chain finance program (the “SCF program”) administered through a third party platform that provides the Company’s inventory suppliers with the opportunity to sell their receivables due from the Company to participating financial institutions in advance of the invoice due date, at the sole discretion of both the suppliers and the

financial institutions. The Company is not a party to the agreements between the suppliers and the financial institutions and has no economic interest in a supplier's decision to sell a receivable. The Company's payment obligations, including the amounts due and payment terms, which generally do not exceed 90 days, are not impacted by suppliers' participation in the SCF program.

Accordingly, amounts due to suppliers that elected to participate in the SCF program are included in accounts payable in the Company's Consolidated Balance Sheets and the corresponding payments are reflected in cash flows from operating activities in the Company's Consolidated Statements of Cash Flows. Suppliers had elected to sell \$451.0 million, \$506.8 million and \$582.2 million of the Company's payment obligations that were outstanding as of July 30, 2023, January 29, 2023 and July 31, 2022, respectively, to financial institutions and \$986.7 million and \$969.3 million had been settled through the program during the twenty-six weeks ended July 30, 2023 and July 31, 2022, respectively.

Guarantees

The Company has guaranteed the payment of amounts on behalf of certain parties. There have been no significant changes to the amounts guaranteed by the Company from those discussed in Note 21, "Guarantees," in the Notes to Consolidated Financial Statements included in Item 8 of the Company's Annual Report on Form 10-K for the year ended January 29, 2023.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We aggregate our reportable segments into three main businesses: (i) Tommy Hilfiger, which consists of the businesses we operate under our *TOMMY HILFIGER* trademarks; (ii) Calvin Klein, which consists of the businesses we operate under our *Calvin Klein* trademarks; and (iii) Heritage Brands, which consists of the businesses we operate under our *Warner's*, *Olga* and *True&Co.* trademarks, the *Van Heusen* and *Nike* trademarks, which we license for certain product categories, and other licensed trademarks. References to brand names are to registered and common law trademarks owned by us or licensed to us by third parties and are identified by italicizing the brand name.

OVERVIEW

The following discussion and analysis is intended to help you understand us, our operations and our financial performance. It should be read in conjunction with our consolidated financial statements and the accompanying notes, which are included in the immediately preceding item of this report.

We are one of the largest global apparel companies in the world, with a history going back over 140 years. We have been listed on the New York Stock Exchange for over 100 years. We manage a portfolio of iconic brands, including *TOMMY HILFIGER*, *Calvin Klein*, *Warner's*, *Olga* and *True&Co.*, which are owned, *Van Heusen* and *Nike*, which we license for certain product categories, and other owned and licensed brands. We also license the use of our trademarks to third parties and joint ventures for product categories and in regions where we believe our licensees' expertise can better serve our brands.

Our revenue was \$9.0 billion in 2022, of which over 65% was generated outside of the United States. Our global iconic brands, *TOMMY HILFIGER* and *Calvin Klein*, together generated over 90% of our revenue.

PVH+ Plan

At our April 2022 Investor Day, we introduced the PVH+ Plan, our multi-year, strategic plan to drive brand-, digital- and direct-to-consumer-led growth and financial performance for sustainable, long-term profitable growth and value creation. The PVH+ Plan builds on our core strengths and connects *Calvin Klein* and *TOMMY HILFIGER* closer to the consumer than ever before through five key drivers: (1) win with product, (2) win with consumer engagement, (3) win the digitally-led marketplace, (4) develop a demand- and data-driven operating model, and (5) drive efficiencies and invest in growth. These five foundational drivers apply to each of our businesses and are activated in the regions to meet the unique expectations of our consumers around the world.

RESULTS OF OPERATIONS

War in Ukraine

As a result of the war in Ukraine, we announced in March 2022 that we were temporarily closing stores and pausing commercial activities in Russia and Belarus. In the second quarter of 2022, we made the decision to exit from our Russia business, including the closure of our retail stores in Russia and the cessation of our wholesale operations in Russia and Belarus. Additionally, while we have no direct operations in Ukraine, virtually all of our wholesale customers and franchisees in Ukraine have been impacted, which has resulted in a reduction in shipments to these customers and canceled orders.

We recorded net pre-tax costs of \$43 million in 2022 in connection with our decision to exit from the Russia business, consisting of (i) \$44 million of noncash asset impairments, (ii) \$5 million of contract termination and other costs and (iii) \$2 million of severance, partially offset by an \$8 million gain related to the early termination of certain store lease agreements in Russia, of which \$50 million of pre-tax costs were incurred in the second quarter of 2022 and the pre-tax gain of \$8 million was recorded in the fourth quarter of 2022. Please see Note 14, "Exit Activity Costs," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

The war also led to, and may lead to further, broader macroeconomic implications, including for a significant portion of 2022, the weakening of the euro against the United States dollar, increases in fuel prices and volatility in the financial markets, as well as a decline in consumer spending. There is uncertainty regarding the extent to which the war and its broader macroeconomic implications, including the potential impacts on the broader European market, will impact our business, financial condition and results of operations for the remainder of 2023.

Inflationary Pressures

Inflationary pressures negatively impacted our revenue and earnings in 2022 and have continued through the first half of 2023, including (i) increased labor and product costs and (ii) beginning late in the second quarter of 2022, a slowdown in consumer demand for apparel and related products, as consumers reduced discretionary spend and certain wholesale customers have taken a more cautious approach, particularly in North America and to a lesser extent in Europe. We implemented price increases in certain regions and for certain product categories beginning in the first quarter of 2022, and more extensively in the second half of 2022, to mitigate the higher costs. However, the slowdown in consumer demand also resulted in an increased promotional environment in 2022 and through the first half of 2023. We expect inflationary pressures to continue to negatively impact our revenue and earnings for the remainder of 2023, although to a lesser extent than in 2022, as the decline in ocean freight rates and raw material costs are expected to benefit our gross margin as we move through the second half of the year.

COVID-19 Pandemic

The COVID-19 pandemic had a significant impact on our business, results of operations, financial condition and cash flows from operations during 2022. The pandemic did not have a significant impact on us in the first half of 2023 and is not expected to have a significant impact on us for the remainder of the year.

Strict lockdowns in China during 2022 resulted in extensive temporary store closures and significant reductions in consumer traffic and purchasing, as well as impacted certain warehouses, which resulted in the temporary pause of deliveries to our wholesale customers and from our digital commerce businesses in the first half of 2022. COVID-related restrictions in China were lifted at the end of the fourth quarter of 2022.

In addition, our North America stores have been challenged by the significant decrease in international tourists coming to the United States since the onset of the pandemic. While international tourism levels have continuously improved since 2020, we expect international tourist shopping levels and sales in our stores in 2023 will continue to be below 2019 levels. Stores located in international tourist destinations had represented a significant portion of the North America retail business prior to the pandemic.

In addition, pandemic-related supply chain and logistics disruptions have impacted our supply chain partners, including third party manufacturers, logistics providers and other vendors, as well as the supply chains of our licensees. The vessel, container and other transportation shortages, labor shortages and port congestion globally, as well as production delays in some of our key sourcing countries, delayed product orders during the first half of 2022, and, in turn, deliveries to our wholesale customers and availability in our stores and for our directly operated digital commerce businesses. These supply chain and logistics disruptions impacted our inventory levels, including in-transit goods, and our sales volumes. We incurred higher air freight and other logistics costs in the first half of 2022 in connection with these disruptions. To mitigate the supply chain and logistics disruptions, we increased our core product inventory levels. These impacts significantly improved in the second half of 2022.

Outlook Uncertainty due to War in Ukraine and Inflation

There continues to be uncertainty in the current macroeconomic environment due to inflationary pressures globally, the war in Ukraine and foreign currency volatility. Our 2023 outlook assumes no material worsening of current conditions. Our revenue and earnings in 2023 may be subject to significant material change based on changes in these and other factors.

Operations Overview

We generate net sales from (i) the wholesale distribution to traditional retailers (both for stores and digital operations), pure play digital commerce retailers, franchisees, licensees and distributors of branded sportswear (casual apparel), jeanswear, performance apparel, intimate apparel, underwear, swimwear, dress shirts, handbags, accessories, footwear and other related products under owned and licensed trademarks, and (ii) the sale of certain of these products through (a) approximately 1,400 Company-operated free-standing store locations worldwide under our *TOMMY HILFIGER* and *Calvin Klein* trademarks, (b) approximately 1,500 Company-operated shop-in-shop/concession locations worldwide under our *TOMMY HILFIGER* and *Calvin Klein* trademarks, and (c) digital commerce sites worldwide, under our *TOMMY HILFIGER* and *Calvin Klein* trademarks. Additionally, we generate royalty, advertising and other revenue from fees for licensing the use of our trademarks. We manage our operations through our operating divisions, which are presented as the following reportable segments: (i) Tommy Hilfiger North America; (ii) Tommy Hilfiger International; (iii) Calvin Klein North America; (iv) Calvin Klein International; and (v) Heritage Brands Wholesale.

The following actions, transactions and events, in addition to the exit from our Russia business discussed above, have impacted our results of operations and the comparability among the periods, including our full year 2023 expectations as compared to the full year 2022, as discussed below:

- We announced in August 2022 plans to reduce people costs in our global offices by approximately 10% by the end of 2023 to drive efficiencies and enable continued strategic investments to fuel growth, including in digital, supply chain and consumer engagement (the “2022 cost savings initiative”), which is expected to result in annual cost savings of over \$100 million, net of continued strategic people investments. We recorded pre-tax costs of \$20 million during 2022, consisting principally of severance related to initial actions taken under the plans. We recorded pre-tax costs of \$39 million in the second quarter of 2023, consisting principally of severance related to additional actions taken in July 2023 and expect to incur additional pre-tax costs of approximately \$21 million in the third quarter of 2023 in connection with the 2022 cost savings initiative, consisting principally of severance. Please see Note 14, “Exit Activity Costs,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.
- We recorded a pre-tax noncash goodwill impairment charge of \$417 million in the third quarter of 2022 in conjunction with our annual goodwill and other indefinite-lived intangible asset impairment testing. The impairment was non-operational and driven by a significant increase in discount rates as a result of then-current economic conditions. Please see Note 7, “Goodwill and Other Intangible Assets,” in the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended January 29, 2023 for further discussion.
- We completed the sale of our approximately 8% economic interest in Karl Lagerfeld Holding B.V. (“Karl Lagerfeld”) to a subsidiary of G-III Apparel Group, Ltd. (“G-III”) on May 31, 2022 for approximately \$20 million in cash, subject to customary adjustments, with \$1 million of the proceeds held in escrow (the “Karl Lagerfeld transaction”). We recorded a pre-tax gain of \$16 million in the second quarter of 2022 in connection with the transaction. Please see Note 4, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

We also announced in November 2022 that we extended most of our licensing agreements with G-III for *Calvin Klein* and *TOMMY HILFIGER* in the United States and Canada, largely pertaining to the women’s apparel product categories sold at wholesale in North America. These agreements now have staggered expirations from the end of 2023 through 2027. Upon expiration, we intend to bring most of the licensed product categories in-house and directly operate these businesses. We do not expect the license expirations at the end of 2023 will have a significant impact on our results of operations or financial condition in 2023.

Our Tommy Hilfiger and Calvin Klein businesses each have substantial international components that expose us to significant foreign exchange risk. Our Heritage Brands business also has international components but those components are not significant to the business. Our results of operations in local foreign currencies are translated into United States dollars using an average exchange rate over the representative period. Accordingly, our results of operations are unfavorably impacted during times of a strengthening United States dollar against the foreign currencies in which we generate significant revenue and earnings and favorably impacted during times of a weakening United States dollar against those currencies. Over 65% of our 2022 revenue was subject to foreign currency translation. The United States dollar strengthened against the euro, which is the foreign currency in which we transact the most business, as well as against most major currencies, during the first nine months of 2022, but then began to weaken in the fourth quarter of 2022. The United States dollar continued to weaken against the euro in the first half of 2023. We currently expect our 2023 revenue and net income to increase by approximately \$70 million and \$10 million, respectively, due to the impact of foreign currency translation.

There also is a transactional impact of foreign exchange on our financial results because inventory typically is purchased in United States dollars by our foreign subsidiaries. Our results of operations will be unfavorably impacted during times of a strengthening United States dollar, as the increased local currency value of inventory results in a higher cost of goods in local currency when the goods are sold, and favorably impacted during times of a weakening United States dollar, as the decreased local currency value of inventory results in a lower cost of goods in local currency when the goods are sold. We use foreign currency forward exchange contracts to hedge against a portion of the exposure related to this transactional impact. The contracts cover at least 70% of the projected inventory purchases in United States dollars by our foreign subsidiaries. These contracts are generally entered into 12 months in advance of the related inventory purchases. Therefore, the impact of fluctuations of the United States dollar on the cost of inventory purchases covered by these contracts may be realized in our results of operations in the year following their inception, as the underlying inventory hedged by the contracts is sold. We

currently expect our 2023 net income to decrease by approximately \$75 million as compared to 2022 due to the transactional impact of foreign currency with an expected negative impact to our 2023 gross margin of approximately 100 basis points.

We also have exposure to changes in foreign currency exchange rates related to our €1.125 billion aggregate principal amount of senior notes that are held in the United States. The strengthening of the United States dollar against the euro would require us to use a lower amount of our cash flows from operations to pay interest and make long-term debt repayments, whereas the weakening of the United States dollar against the euro would require us to use a greater amount of our cash flows from operations to pay interest and make long-term debt repayments. We designated the carrying amount of these senior notes issued by PVH Corp., a U.S.-based entity, as net investment hedges of our investments in certain of our foreign subsidiaries that use the euro as their functional currency. As a result, the remeasurement of these foreign currency borrowings at the end of each period is recorded in equity.

We conduct business in Turkey where the cumulative inflation rate surpassed 100% for the three-year period that ended during the first quarter of 2022. The impact of currency devaluation in countries experiencing high inflation rates, as is the case in Turkey, can unfavorably impact our results of operations. Since the first day of the second quarter of 2022, we have been accounting for our operations in Turkey as highly inflationary. As a result, we have changed the functional currency of our subsidiary in Turkey from the Turkish lira to the euro, which is the functional currency of its parent. The required remeasurement of our monetary assets and liabilities denominated in Turkish lira into euro did not have a material impact on our results of operations during the thirteen and twenty-six weeks ended July 30, 2023 and July 31, 2022. As of July 30, 2023 and July 31, 2022, net monetary assets denominated in Turkish lira represented less than 1% of our total net assets.

SEASONALITY

Our business generally follows a seasonal pattern. Our wholesale businesses tend to generate higher levels of sales in the first and third quarters, while our retail businesses tend to generate higher levels of sales in the fourth quarter. Royalty, advertising and other revenue tends to be earned somewhat evenly throughout the year, although the third quarter tends to have the highest level of royalty revenue due to higher sales by licensees in advance of the holiday selling season. We expect this seasonal pattern will generally continue. Working capital requirements vary throughout the year to support these seasonal patterns and business trends.

Due to the above seasonal factors, our results of operations for the thirteen and twenty-six weeks ended July 30, 2023 are not necessarily indicative of those for a full fiscal year.

Thirteen Weeks Ended July 30, 2023 Compared With Thirteen Weeks Ended July 31, 2022

Total Revenue

Total revenue in the second quarter of 2023 was \$2.207 billion as compared to \$2.132 billion in the second quarter of the prior year. The increase in revenue of \$75 million, or 4%, included a 2% positive impact of foreign currency translation and was due principally to the net effect of the following items:

- The addition of an aggregate \$61 million of revenue, or a 6% increase compared to the prior year period, attributable to our Tommy Hilfiger International and Tommy Hilfiger North America segments, which included a positive impact of \$23 million, or 2%, related to foreign currency translation. Tommy Hilfiger International segment revenue increased 6% (including a 3% positive foreign currency impact). Revenue in our Tommy Hilfiger North America segment increased 4%.
- The net addition of an aggregate \$30 million of revenue, or a 3% increase compared to the prior year period, attributable to our Calvin Klein International and Calvin Klein North America segments, which included a positive impact of \$10 million, or 1%, related to foreign currency translation. Calvin Klein International segment revenue increased 11% (including a 2% positive foreign currency impact). Revenue in our Calvin Klein North America segment decreased 9%, primarily driven by a decrease in revenue through the wholesale distribution channel.
- The reduction of \$16 million of revenue, or an 11% decrease compared to the prior year period, attributable to our Heritage Brands Wholesale segment.

Our revenue through our direct-to-consumer distribution channel in the second quarter of 2023 increased 11%, including a 1% positive foreign currency impact. Sales through our directly operated digital commerce businesses increased 12%. Our sales through digital channels, including the digital businesses of our traditional and pure play wholesale customers and our directly

operated digital commerce businesses, was approximately 20% of total revenue. Our revenue through our wholesale distribution channel decreased 3% in the second quarter of 2023, inclusive of a 2% positive foreign currency impact.

Gross Profit

Gross profit is calculated as total revenue less cost of goods sold and gross margin is calculated as gross profit divided by total revenue. Included as cost of goods sold are costs associated with the production and procurement of product, such as inbound freight costs, purchasing and receiving costs, and inspection costs. Also included as cost of goods sold are the amounts recognized on foreign currency forward exchange contracts as the underlying inventory hedged by such forward exchange contracts is sold. Warehousing and distribution expenses are included in selling, general and administrative (“SG&A”) expenses. All of our royalty, advertising and other revenue from licensing the use of our trademarks is included in gross profit because there is no cost of goods sold associated with such revenue. As a result, our gross profit may not be comparable to that of other entities.

Gross profit in the second quarter of 2023 was \$1.272 billion, or 57.6% of total revenue, as compared to \$1.220 billion, or 57.2% of total revenue, in the second quarter of the prior year. The 40 basis point increase was primarily driven by (i) price increases that were implemented in certain regions and for certain product categories during 2022, (ii) lower freight and logistics costs as compared to the prior year period, (iii) the impact of a change in the revenue mix between our International and North America segments, as our International segments’ revenue was a larger proportion and these segments carry higher gross margins, and (iv) the impact of a change in the revenue mix between our direct-to-consumer distribution channel and our wholesale distribution channel, as our direct-to-consumer distribution channel was a larger proportion and carries higher gross margins. These increases were partially offset by (i) higher product costs as a result of inflationary pressures as compared to the prior year period and (ii) an approximately 120 basis point decline due to the unfavorable impact of the stronger United States dollar on our international businesses, particularly our European businesses, that purchase inventory in United States dollars, for which they generally enter into foreign currency forward exchange contracts 12 months in advance of the related inventory purchases, as the increased local currency value of inventory results in higher cost of goods in local currency when the goods are sold.

SG&A Expenses

SG&A expenses in the second quarter of 2023 were \$1.138 billion, or 51.6% of total revenue, as compared to \$1.070 billion, or 50.2% of total revenue, in the second quarter of the prior year. The 140 basis point increase was due to (i) costs incurred in the second quarter of 2023 in connection with the 2022 cost savings initiative, (ii) the impact of a change in the revenue mix between our International and North America segments, as our International segments’ revenue was a larger proportion and these segments carry higher SG&A expenses as percentages of total revenue, (iii) the impact of a change in the revenue mix between our direct-to-consumer distribution channel and our wholesale distribution channel, as our direct-to-consumer distribution channel was a larger proportion and carries higher SG&A expenses as a percentage of total revenue and (iv) an increase in investments to drive our strategic initiatives, including an increase in marketing. These increases were partially offset by the absence in the second quarter of 2023 of costs incurred in the second quarter of 2022 in connection with the exit from our Russia business, primarily consisting of noncash asset impairments.

Non-Service Related Pension and Postretirement Income

Non-service related pension and postretirement income in the second quarter of 2023 was approximately \$300,000 as compared to \$3 million in the second quarter of the prior year. Please see Note 6, “Retirement and Benefit Plans,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

Equity in Net Income of Unconsolidated Affiliates

The equity in net income of unconsolidated affiliates was \$9 million in the second quarter of 2023 as compared to \$25 million in the second quarter of the prior year. These amounts relate to our share of income (loss) from (i) our joint venture for the *TOMMY HILFIGER* and *Calvin Klein* brands, and other owned and licensed trademarks in Mexico, (ii) our joint venture for the *TOMMY HILFIGER* and *Calvin Klein* brands in India, (iii) our joint venture for the *TOMMY HILFIGER* brand in Brazil, (iv) our PVH Legwear LLC joint venture for the *TOMMY HILFIGER* and *Calvin Klein* brands and other owned and licensed trademarks in the United States and Canada and (v) our investment in Karl Lagerfeld prior to the closing of the Karl Lagerfeld transaction in the second quarter of 2022. The equity in net income for the second quarter of 2023 decreased as compared to 2022 primarily due to a \$16 million pre-tax net gain recorded in the second quarter of 2022 in connection with the Karl Lagerfeld transaction. Please see Note 4, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial

Statements included in Part I, Item 1 of this report for further discussion of the Karl Lagerfeld transaction. Our investments in the joint ventures are being accounted for under the equity method of accounting.

Interest Expense, Net

Interest expense, net increased to \$24 million in the second quarter of 2023 from \$20 million in the second quarter of the prior year, primarily due to an increase in interest rates as compared to the prior year period.

Income Taxes

The effective income tax rate for the second quarter of 2023 was 21.3% compared to 26.4% in the second quarter of the prior year. The decrease in the effective income tax rate was primarily due to a change in the mix of international and domestic earnings.

Twenty-Six Weeks Ended July 30, 2023 Compared With Twenty-Six Weeks Ended July 31, 2022

Total Revenue

Total revenue in the twenty-six weeks ended July 30, 2023 was \$4.365 billion as compared to \$4.255 billion in the twenty-six week period of the prior year. The increase in revenue of \$110 million, or 3%, included a 1% negative impact of foreign currency translation and was due principally to the net effect of the following items:

- The addition of an aggregate \$114 million of revenue, or a 5% increase compared to the prior year period, attributable to our Tommy Hilfiger International and Tommy Hilfiger North America segments. Tommy Hilfiger International segment revenue increased 5%. Revenue in our Tommy Hilfiger North America segment increased 7%. The impact of foreign currency translation on our Tommy Hilfiger segments' revenue in the period was not significant.
- The net addition of an aggregate \$32 million of revenue, or a 2% increase compared to the prior year period, attributable to our Calvin Klein International and Calvin Klein North America segments, which included a negative impact of \$17 million, or 1%, related to foreign currency translation. Calvin Klein International segment revenue increased 9% (including a 1% negative foreign currency impact). Revenue in our Calvin Klein North America segment decreased 11%, as an increase in revenue through its direct-to-consumer distribution channel was more than offset by a decrease in revenue through the wholesale distribution channel.
- The reduction of \$36 million of revenue, or a 12% decrease compared to the prior year period, attributable to our Heritage Brands Wholesale segment.

Our revenue through our direct-to-consumer distribution channel in the twenty-six weeks ended July 30, 2023 increased 10%, including a 1% negative foreign currency impact. Sales through our directly operated digital commerce businesses increased 8%, including a 1% negative foreign currency impact. Our sales through digital channels, including the digital businesses of our traditional and pure play wholesale customers and our directly operated digital commerce businesses, was approximately 20% of total revenue. Our revenue through our wholesale distribution channel decreased 2% in the twenty-six weeks ended July 30, 2023.

We currently expect revenue for the full year 2023 to increase approximately 3% to 4% compared to 2022, inclusive of the positive impacts of approximately 1% related to foreign currency translation and less than 1% related to the 53rd week in 2023.

Gross Profit

Gross profit in the twenty-six weeks ended July 30, 2023 was \$2.523 billion, or 57.8% of total revenue, as compared to \$2.458 billion, or 57.8% of total revenue, in the twenty-six week period of the prior year. Gross profit included increases resulting from (i) price increases that were implemented in certain regions and for certain product categories during 2022, (ii) lower freight and other logistics costs as compared to the prior year period, (iii) the impact of a change in the revenue mix between our International and North America segments, as our International segments' revenue was a larger proportion and these segments carry higher gross margins, and (iv) the impact of a change in the revenue mix between our direct-to-consumer distribution channel and our wholesale distribution channel, as our direct-to-consumer distribution channel was a larger proportion and carries higher gross margins. These increases were offset by (i) higher product costs as a result of inflationary pressures as compared to the prior year period and (ii) an approximately 130 basis point decline due to the unfavorable impact of the

stronger United States dollar on our international businesses, particularly our European businesses, that purchase inventory in United States dollars, for which they generally enter into foreign currency forward exchange contracts 12 months in advance of the related inventory purchases, as the increased local currency value of inventory results in higher cost of goods in local currency when the goods are sold.

We currently expect that gross margin for the full year 2023 will increase by approximately 120 basis points as compared to 2022. Our expectation for 2023 includes increases primarily as a result of (i) more full price selling and promotional activity at lower overall discount levels, (ii) an approximately 100 basis point favorable impact due to lower freight and other logistics costs as compared to the prior year, (iii) the annualization of price increases that were implemented during 2022 in certain regions and for certain product categories, and (iv) an approximately 100 basis point favorable impact due to the combination of (a) a change in the revenue mix between our International and North America segments as compared to 2022, as our International segments' revenue is expected to be a larger proportion in 2023 than in 2022 and generally carries higher gross margins and (b) a change in the revenue mix between our direct-to-consumer distribution channel and our wholesale distribution channel as compared to 2022, as our direct-to-consumer distribution channel is expected to be a larger proportion in 2023 than in 2022 and generally carries higher gross margins. These increases are expected to be partially offset by (i) the approximately 100 basis point decline due to the unfavorable impact of the stronger United States dollar on our international businesses that purchase inventory in United States dollars as discussed above and (ii) the higher product costs we incurred as a result of inflationary pressures in the first half of the year.

SG&A Expenses

SG&A expenses in the twenty-six weeks ended July 30, 2023 were \$2.202 billion, or 50.5% of total revenue, as compared to \$2.110 billion, or 49.6% of total revenue, in the twenty-six week period of the prior year. The 90 basis point increase was due to (i) costs incurred in connection with the 2022 costs savings initiative, (ii) the impact of a change in the revenue mix between our International and North America segments, as our International segments' revenue was a larger proportion and these segments carry higher SG&A expenses as percentages of total revenue, (iii) the impact of a change in the revenue mix between our direct-to-consumer distribution channel and our wholesale distribution channel, as our direct-to-consumer distribution channel was a larger proportion and carries higher SG&A expenses as a percentage of total revenue and (iv) an increase in investments to drive our strategic initiatives, including an increase in marketing. These increases were partially offset by (i) the absence in 2023 of costs incurred in 2022 in connection with the exit from our Russia business primarily consisting of noncash asset impairments and (ii) cost efficiencies across the business as we take a disciplined approach to managing expenses.

We currently expect that SG&A expenses as a percentage of revenue for the full year 2023 will increase approximately 70 basis points as compared to 2022. Our expectation for 2023 includes increases primarily as a result of (i) the impact of the change in the revenue mix between our International and North America segments as compared to 2022, as our International segments' revenue are expected to be a larger proportion in 2023 than in 2022 and generally carries higher SG&A expenses as percentages of total revenue, (ii) the impact of a change in the revenue mix between our direct-to-consumer distribution channel and our wholesale distribution channel as compared to 2022, as our direct-to-consumer distribution channel is expected to be a larger proportion in 2023 than in 2022 and generally carries higher SG&A expenses as a percentage of total revenue and (iii) an approximately 50 basis point impact due to an increased level of marketing spend as a percentage of revenue to drive growth in line with the PVH+ Plan. These increases are expected to be partially offset by (i) the absence in 2023 of costs incurred in 2022 in connection with the exit from our Russia business and (ii) the net favorable impact of the 2022 cost savings initiative.

Non-Service Related Pension and Postretirement Income

Non-service related pension and postretirement income in the twenty-six weeks ended July 30, 2023 was \$1 million as compared to \$7 million in the twenty-six week period of the prior year.

Non-service related pension and postretirement income (cost) recorded throughout the year is calculated using actuarial valuations that incorporate assumptions and estimates about financial market, economic and demographic conditions. Differences between estimated and actual results give rise to gains and losses that are recorded immediately in earnings, generally in the fourth quarter of the year, which can create volatility in our results of operations. We currently expect that non-service related pension and postretirement income for the full year 2023 will be approximately \$2 million. However, our expectation of 2023 non-service related pension and post-retirement income does not include the impact of an actuarial gain or loss. As a result of the recent volatility in the financial markets, there is significant uncertainty with respect to the actuarial gain or loss we may record on our retirement plans in 2023. We may record a significant actuarial gain or loss in 2023 if there is a significant increase or decrease in discount rates, respectively, or if there is a difference between the actual and expected return

on plan assets. As such, our actual 2023 non-service related pension and postretirement income may be significantly different than our projections.

Equity in Net Income of Unconsolidated Affiliates

The equity in net income of unconsolidated affiliates was \$21 million in the twenty-six weeks ended July 30, 2023 as compared to \$32 million in the twenty-six week period of the prior year. These amounts relate to our share of income (loss) from our unconsolidated affiliates as described in the thirteen weeks discussion above. The equity in net income for the twenty-six weeks ended July 30, 2023 decreased as compared to the prior year period primarily due to a \$16 million pre-tax net gain recorded in the second quarter of 2022 in connection with the Karl Lagerfeld transaction partly offset by an increase in income attributable to our joint venture in Mexico. Our investments in the joint ventures are being accounted for under the equity method of accounting.

We currently expect that our equity in net income of unconsolidated affiliates for the full year 2023 will decrease to approximately \$40 million as compared to \$50 million in 2022 due to the absence in 2023 of the \$16 million pre-tax gain that we recorded in the second quarter of 2022 in connection with the Karl Lagerfeld transaction, partly offset by an increase in income attributable to our joint venture in Mexico and our PVH Legwear LLC joint venture.

Interest Expense, Net

Interest expense, net increased to \$46 million in the twenty-six weeks ended July 30, 2023 from \$42 million in the twenty-six week period of the prior year, primarily due to an increase in interest rates as compared to the prior year period.

Interest expense, net for the full year 2023 is currently expected to be approximately \$100 million compared to \$83 million in 2022 primarily due to an increase in interest rates as compared to 2022.

Income Taxes

The effective income tax rate for the twenty-six weeks ended July 30, 2023 was 22.4% compared to 28.0% in the twenty-six week period of the prior year. The decrease in the effective income tax rate was primarily due to a change in the mix of international and domestic earnings.

We currently expect that our effective income tax rate for the full year 2023 will be approximately 22%.

We file income tax returns in more than 40 international jurisdictions each year. Our tax rate is affected by many factors, including the mix of international and domestic pre-tax earnings, discrete events arising from specific transactions and new regulations, as well as audits by tax authorities and the receipt of new information, any of which can cause us to change our estimate for uncertain tax positions.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow Summary and Trends

Cash and cash equivalents at July 30, 2023 was \$373 million, a decrease of \$178 million from the \$551 million at January 29, 2023. The change in cash and cash equivalents included the impact of \$198 million of completed common stock repurchases under the stock repurchase program. We ended the second quarter of 2023 with approximately \$1.4 billion of borrowing capacity available under our various debt facilities. The seasonality of our business results in significant fluctuations in our cash balance between fiscal year end and subsequent interim periods due, in part, to the timing of inventory purchases and peak sales periods.

Cash flow for the full year 2023 will be impacted by various factors in addition to those noted below in this “Liquidity and Capital Resources” section, including (i) mandatory long-term debt repayments of approximately \$112 million, subject to exchange rate fluctuations, and (ii) expected common stock repurchases under the stock repurchase program of up to \$400 million. There continues to be uncertainty with respect to the impacts of inflationary pressures globally and, as such, our cash flows for the remainder of 2023 may be subject to significant change.

As of July 30, 2023, \$274 million of cash and cash equivalents was held by international subsidiaries. Our intent is to reinvest indefinitely substantially all of our historical earnings in foreign subsidiaries outside of the United States in jurisdictions in

which we would expect to incur material tax costs upon distribution of such amounts. It is not practicable to estimate the amount of tax that might be payable if these earnings were repatriated due to the complexities associated with the hypothetical calculation.

Operations

Cash provided by operating activities was \$196 million in the twenty-six weeks ended July 30, 2023 compared to \$163 million of cash used by operating activities in the twenty-six weeks ended July 31, 2022. The increase in cash provided by operating activities as compared to the prior year period was primarily driven by changes in our working capital, including (a) a reduction in inventories in the current year period from the elevated levels of inventory we experienced in the second half of 2022 and (b) an increase in inventories during the prior year period as we were building back from lean inventory levels in 2021. Our cash flows from operations have been impacted by supply chain and logistics disruptions and have been and may continue to be impacted by lower consumer demand as a result of inflationary pressures, particularly in North America and to a lesser extent in Europe. In an effort to mitigate these impacts, we have been and continue to be focused on working capital management.

Supply Chain Finance Program

We have a voluntary supply chain finance program (the “SCF program”) administered through a third party platform that provides our inventory suppliers with the opportunity to sell their receivables due from us to participating financial institutions in advance of the invoice due date, at the sole discretion of both the suppliers and the financial institutions. We are not a party to the agreements between the suppliers and the financial institutions and have no economic interest in a supplier’s decision to sell a receivable. Our payment obligations, including the amounts due and payment terms, which generally do not exceed 90 days, are not impacted by suppliers’ participation in the SCF program. Please see Note 18, “Other Comments,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion of our SCF program.

Investments in Unconsolidated Affiliates

We received dividends of \$30 million and \$16 million from our investments in unconsolidated affiliates during the twenty-six weeks ended July 30, 2023 and July 31, 2022, respectively. These dividends are included in our net cash provided (used) by operating activities in our Consolidated Statements of Cash Flows for the respective period.

Karl Lagerfeld Transaction

We completed the sale of our approximately 8% economic interest in Karl Lagerfeld to a subsidiary of G-III on May 31, 2022 for \$20 million in cash, subject to customary adjustments, of which \$19 million was received in the second quarter of 2022 and the remaining \$1 million is being held in escrow and is subject to exchange rate fluctuation. Please see Note 4, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

Capital Expenditures

Our capital expenditures in the twenty-six weeks ended July 30, 2023 were \$116 million compared to \$109 million in the twenty-six weeks ended July 31, 2022. We currently expect that capital expenditures for the full year 2023 will be approximately \$300 million as compared to \$290 million in 2022 and will primarily consist of (i) investments in (a) new stores and store renovations and (b) our information technology infrastructure worldwide, including information security, (ii) upgrades and enhancements to platforms and systems worldwide, including our digital commerce platforms, and (iii) enhancements to our warehouse and distribution network in Europe and North America.

Dividends

Cash dividends paid on our common stock totaled \$5 million during each of the twenty-six weeks ended July 30, 2023 and July 31, 2022.

We currently project that cash dividends paid on our common stock in 2023 will be approximately \$9 million based on our current dividend rate, the number of shares of our common stock outstanding as of July 30, 2023, our estimate of stock to be issued during 2023 under our stock incentive plans and our estimate of stock repurchases for the remainder of 2023.

Acquisition of Treasury Shares

The Board of Directors has authorized over time beginning in 2015 an aggregate \$3.0 billion stock repurchase program through June 3, 2026. Repurchases under the program may be made from time to time over the period through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as we deem appropriate. Purchases are made based on a variety of factors, such as price, corporate requirements and overall market conditions, applicable legal requirements and limitations, trading restrictions under our insider trading policy and other relevant factors. The program may be modified by the Board of Directors, including to increase or decrease the repurchase limitation or extend, suspend, or terminate the program, at any time, without prior notice. Beginning January 1, 2023, our share repurchases in excess of issuances are subject to a 1% excise tax enacted by the Inflation Reduction Act.

During the twenty-six weeks ended July 31, 2022, we purchased 3.2 million shares of our common stock under the program in open market transactions for \$224 million. During the twenty-six weeks ended July 30, 2023, we purchased 2.4 million shares of our common stock under the program in open market transactions for \$200 million, excluding excise taxes of \$2 million. Purchases of \$6 million that were accrued for in our Consolidated Balance Sheet as of January 30, 2022 were paid in the first quarter of 2022. Purchases of \$2 million were accrued for in our Consolidated Balance Sheet as of July 30, 2023. As of July 30, 2023, the repurchased shares were held as treasury stock and \$623 million of the authorization remained available for future share repurchases, excluding excise taxes, as the excise taxes do not reduce the authorized amount remaining.

We currently expect common stock repurchases under the stock repurchase program of up to \$400 million for the full year 2023.

Treasury stock activity also includes shares that were withheld principally in conjunction with the settlement of restricted stock units and performance share units to satisfy tax withholding requirements.

Financing Arrangements

Our capital structure was as follows:

(In millions)	7/30/23	1/29/23	7/31/22
Short-term borrowings	\$ 15	\$ 46	\$ 12
Current portion of long-term debt	689	112	38
Finance lease obligations	11	12	10
Long-term debt	1,620	2,177	2,155
Stockholders' equity	5,038	5,013	5,206

In addition, we had \$373 million, \$551 million and \$699 million of cash and cash equivalents as of July 30, 2023, January 29, 2023 and July 31, 2022, respectively.

We expect to make long-term debt repayments of approximately \$112 million during 2023.

Short-Term Borrowings

We have the ability to draw revolving borrowings under the senior unsecured credit facilities discussed below in the section entitled "2022 Senior Unsecured Credit Facilities." We had no revolving borrowings outstanding under these facilities as of July 30, 2023. We also had no revolving borrowings outstanding under the 2019 facilities (as defined below) as of July 31, 2022.

Additionally, we have the ability to borrow under short-term lines of credit, overdraft facilities and short-term revolving credit facilities denominated in various foreign currencies. These facilities provided for borrowings of up to \$221 million based on exchange rates in effect on July 30, 2023 and are utilized primarily to fund working capital needs. We had \$15 million outstanding under these facilities as of July 30, 2023. The weighted average interest rate on funds borrowed as of July 30, 2023 was 0.19%.

Commercial Paper

We have the ability to issue unsecured commercial paper notes with maturities that vary but do not exceed 397 days from the date of issuance primarily to fund working capital needs. We had no borrowings outstanding under the commercial paper note program as of July 30, 2023.

Finance Lease Obligations

Our cash payments for finance lease liabilities totaled \$2 million in each of the twenty-six weeks ended July 30, 2023 and July 31, 2022.

2022 Senior Unsecured Credit Facilities

On December 9, 2022, we entered into new senior unsecured credit facilities (the “2022 facilities”), the proceeds of which, along with cash on hand, were used to repay all of the outstanding borrowings under the 2019 facilities (as defined below), as well as the related debt issuance costs.

The 2022 facilities consist of (a) a €441 million euro-denominated Term Loan A facility (the “Euro TLA facility”), (b) a \$1.150 billion United States dollar-denominated multicurrency revolving credit facility (the “multicurrency revolving credit facility”), which is available in (i) United States dollars, (ii) Australian dollars (limited to A\$50 million), (iii) Canadian dollars (limited to C\$70 million), or (iv) euros, yen, pounds sterling, Swiss francs or other agreed foreign currencies (limited to €250 million), and (c) a \$50 million United States dollar-denominated revolving credit facility available in United States dollars or Hong Kong dollars (together with the multicurrency revolving credit facility, the “revolving credit facilities”). The 2022 facilities are due on December 9, 2027.

We had loans outstanding of \$477 million, net of debt issuance costs and based on applicable exchange rates, under the Euro TLA facility as of July 30, 2023.

We made payments of \$6 million on our term loan under the 2022 facilities during the twenty-six weeks ended July 30, 2023. We made payments of \$13 million on our term loan under the 2019 facilities during the twenty-six weeks ended July 31, 2022.

2019 Senior Unsecured Credit Facilities

On April 29, 2019, we entered into senior unsecured credit facilities (as amended, the “2019 facilities”). We replaced the 2019 facilities with the 2022 facilities on December 9, 2022 as discussed above in the section entitled “2022 Senior Unsecured Credit Facilities.” The 2019 facilities included a €500 million euro-denominated Term Loan A facility, of which €441 million was outstanding as of the date it was replaced, and senior unsecured revolving credit facilities.

Our financing arrangements contain financial and non-financial covenants and customary events of default. As of July 30, 2023, we were in compliance with all applicable financial and non-financial covenants under our financing arrangements.

As of July 30, 2023, our issuer credit was rated BBB- by Standard & Poor’s with a stable outlook and our corporate credit was rated Baa3 by Moody’s with a stable outlook, and our commercial paper was rated A-3 by Standard & Poor’s and P-3 by Moody’s. In assessing our credit strength, we believe that both Standard & Poor’s and Moody’s considered, among other things, our capital structure and financial policies, our consolidated balance sheet, our historical acquisition activity and other financial information, as well as industry and other qualitative factors.

Please see Note 7, “Debt,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for a schedule of mandatory long-term debt repayments for the remainder of 2023 through 2028.

Please see Note 8, “Debt,” in the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended January 29, 2023 for further discussion of our debt.

CRITICAL ACCOUNTING POLICIES

Our consolidated financial statements are based on the selection and application of significant accounting policies, which require management to make significant estimates and assumptions. Our significant accounting policies are outlined in Note 1, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended January 29, 2023. During the twenty-six weeks ended July 30, 2023, there were no significant changes to our critical accounting policies from those described in our Annual Report on Form 10-K for the year ended January 29, 2023.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial instruments held by us as of July 30, 2023 primarily include cash and cash equivalents, short-term borrowings, long-term debt and foreign currency forward exchange contracts. Note 10, "Fair Value Measurements," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report outlines the fair value of our financial instruments as of July 30, 2023. Cash and cash equivalents held by us are affected by short-term interest rates. Given our balance of cash and cash equivalents at July 30, 2023, the effect of a 10 basis point change in short-term interest rates on our interest income would be approximately \$0.4 million annually. Borrowings under the 2022 facilities bear interest at a rate equal to an applicable margin plus a variable rate. As such, the 2022 facilities expose us to market risk for changes in interest rates. As of July 30, 2023, approximately 80% of our long-term debt was at a fixed interest rate, with the remaining (euro-denominated) balance at a variable interest rate. Interest on the euro-denominated debt is subject to change based on fluctuations in the one-month EURIBOR. The effect of a 10 basis point change in the current one-month EURIBOR on our variable interest expense would be approximately \$0.5 million, annually. Please see "Liquidity and Capital Resources" in the Management's Discussion and Analysis section included in Part I, Item 2 of this report for further discussion of our credit facilities.

Our Tommy Hilfiger and Calvin Klein businesses each have substantial international components that expose us to significant foreign exchange risk. Our Heritage Brands business also has international components but those components are not significant to the business. Over 65% of our \$9.0 billion of revenue in 2022 was generated outside of the United States. Changes in exchange rates between the United States dollar and other currencies can impact our financial results in two ways: a translational impact and a transactional impact.

The translational impact refers to the impact that changes in exchange rates can have on our results of operations and financial position. The functional currencies of our foreign subsidiaries are generally the applicable local currencies. Our consolidated financial statements are presented in United States dollars. The results of operations in local foreign currencies are translated into United States dollars using an average exchange rate over the representative period and the assets and liabilities in local foreign currencies are translated into United States dollars using the closing exchange rate at the balance sheet date. Foreign exchange differences that arise from the translation of our foreign subsidiaries' assets and liabilities into United States dollars are recorded as foreign currency translation adjustments in other comprehensive income (loss). Accordingly, our results of operations and other comprehensive income (loss) will be unfavorably impacted during times of a strengthening United States dollar, particularly against the euro, the Japanese yen, the Korean won, the British pound sterling, the Australian dollar, the Canadian dollar and the Chinese yuan renminbi, and favorably impacted during times of a weakening United States dollar against those currencies.

We currently expect our 2023 revenue and net income to increase by approximately \$70 million and \$10 million, respectively, due to the impact of foreign currency translation.

During the twenty-six weeks ended July 30, 2023, we recognized favorable foreign currency translation adjustments of \$4 million within other comprehensive income (loss) principally driven by a weakening of the United States dollar against the euro of 1% since January 29, 2023, partially offset by a strengthening of the United States dollar against certain currencies in the Asia-Pacific region (primarily the strengthening of the United States dollar against the Australian dollar of 6% since January 29, 2023). Our foreign currency translation adjustments recorded in other comprehensive income (loss) are significantly impacted by the substantial amount of goodwill and other intangible assets denominated in the euro, which represented 40% of our \$5.6 billion total goodwill and other intangible assets as of July 30, 2023. This translational impact was partially mitigated by the change in the fair value of our net investment hedges discussed below.

A transactional impact on financial results is common for apparel companies operating outside the United States that purchase goods in United States dollars, as is the case with most of our foreign operations. Our results of operations will be unfavorably impacted during times of a strengthening United States dollar, as the increased local currency value of inventory results in a higher cost of goods in local currency when the goods are sold, and favorably impacted during times of a weakening United States dollar, as the decreased local currency value of inventory results in a lower cost of goods in local currency when the goods are sold. We also have exposure to changes in foreign currency exchange rates related to certain intercompany transactions and SG&A expenses. We currently use and plan to continue to use foreign currency forward exchange contracts or other derivative instruments to mitigate the cash flow or market value risks associated with these inventory and intercompany transactions, but we are unable to entirely eliminate these risks. The foreign currency forward exchange contracts cover at least 70% of the projected inventory purchases in United States dollars by our foreign subsidiaries.

We currently expect our 2023 net income to decrease by approximately \$75 million as compared to 2022 due to the transactional impact of foreign currency with an expected negative impact to our 2023 gross margin of approximately 100 basis points.

Given our foreign currency forward exchange contracts outstanding at July 30, 2023, the effect of a 10% change in foreign currency exchange rates against the United States dollar would result in a change in the fair value of these contracts of approximately \$115 million. Any change in the fair value of these contracts would be substantially offset by a change in the fair value of the underlying hedged items.

In order to mitigate a portion of our exposure to changes in foreign currency exchange rates related to the value of our investments in foreign subsidiaries denominated in the euro, we designated the carrying amount of our €1.125 billion aggregate principal amount of senior notes issued by PVH Corp., a U.S.-based entity, as net investment hedges of our investments in certain of our foreign subsidiaries that use the euro as their functional currency. The effect of a 10% change in the euro against the United States dollar would result in a change in the fair value of the net investment hedges of approximately \$125 million. Any change in the fair value of the net investment hedges would be more than offset by a change in the value of our investments in certain of our European subsidiaries. Additionally, during times of a strengthening United States dollar against the euro, we would be required to use a lower amount of our cash flows from operations to pay interest and make long-term debt repayments on our euro-denominated senior notes, whereas during times of a weakening United States dollar against the euro, we would be required to use a greater amount of our cash flows from operations to pay interest and make long-term debt repayments on these notes.

We conduct business in Turkey where the cumulative inflation rate surpassed 100% for the three-year period that ended during the first quarter of 2022. The impact of currency devaluation in countries experiencing high inflation rates, as is the case in Turkey, can unfavorably impact our results of operations. Since the first day of the second quarter of 2022, we have been accounting for our operations in Turkey as highly inflationary. As a result, we have changed the functional currency of our subsidiary in Turkey from the Turkish lira to the euro, which is the functional currency of its parent. The required remeasurement of our monetary assets and liabilities denominated in Turkish lira into euro did not have a material impact on our results of operations during the thirteen and twenty-six weeks ended July 30, 2023. As of July 30, 2023, net monetary assets denominated in Turkish lira represented less than 1% of our total net assets.

Included in the calculations of expense and liabilities for our pension plans are various assumptions, including return on assets, discount rates, mortality rates and future compensation increases. Actual results could differ from these assumptions, which would require adjustments to our balance sheet and could result in volatility in our future pension expense. Holding all other assumptions constant, a 1% change in the assumed rate of return on assets would result in a change to 2023 net benefit cost related to the pension plans of approximately \$5 million. Likewise, a 0.25% change in the assumed discount rate would result in a change to 2023 net benefit cost of approximately \$23 million.

ITEM 4 - CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report. Disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

We are currently undertaking a major multi-year SAP S/4 implementation to upgrade our platforms and systems worldwide. The implementation is occurring in phases over multiple years. We successfully launched the Global Finance functionality on the SAP S/4 platform in Asia and North America in the first quarter of 2020 and the commercial functionality on the SAP S/4 platform for certain businesses in North America in the third quarter of 2021 and for certain businesses in Asia in the first quarter of 2023.

As a result of this multi-year implementation, we have made certain changes to our processes and procedures, including as a result of the functionality launched to date, which have resulted in changes to our internal control over financial reporting. However, these changes were not material. We expect to continue to make changes as we launch the commercial functionality for additional businesses in future periods. While we expect this implementation to strengthen our internal control over financial reporting by automating certain manual processes and standardizing business processes and reporting across our organization, we will continue to evaluate and monitor our internal control over financial reporting for material changes as processes and procedures in the affected areas evolve. For a discussion of risks related to the implementation of new systems and hardware, please see our Information Technology risk factor *"We rely significantly on information technology. Our business and reputation could be adversely impacted if our computer systems, or systems of our business partners and service providers, are disrupted or cease to operate effectively or if we or they are subject to a data security or privacy breach"* in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended January 29, 2023.

PART II – OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

We are a party to certain litigations which, in management's judgment based, in part, on the opinion of legal counsel, will not have a material adverse effect on our financial position.

ITEM 1A - RISK FACTORS

Please refer to Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended January 29, 2023 for a description of certain significant risks and uncertainties to which our business, financial condition and results of operations are subject. There have been no material changes to these risk factors as of July 30, 2023.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Shares (or Units) Purchased ⁽¹⁾⁽²⁾	(b) Average Price Paid per Share (or Unit) ⁽¹⁾⁽²⁾⁽³⁾	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
May 1, 2023 - May 28, 2023	286,300	\$ 84.34	186,750	\$ 807,736,892
May 29, 2023 - July 2, 2023	1,157,828	82.99	1,138,600	713,244,888
July 3, 2023 - July 30, 2023	1,051,243	87.00	1,032,950	623,341,310
Total	<u>2,495,371</u>	<u>\$ 84.83</u>	<u>2,358,300</u>	<u>\$ 623,341,310</u>

⁽¹⁾ The Company's Board of Directors has authorized over time beginning in 2015 an aggregate \$3.0 billion stock repurchase program through June 3, 2026. Repurchases under the program may be made from time to time over the period through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as we deem appropriate. Purchases are made based on a variety of factors, such as price, corporate requirements and overall market conditions, applicable legal requirements and limitations, trading restrictions under our insider trading policy and other relevant factors. The program may be modified by the Board of Directors, including to increase or decrease the repurchase limitation or extend, suspend, or terminate the program, at any time, without prior notice. Excise taxes do not reduce the authorized amount remaining under this program.

⁽²⁾ Our Stock Incentive Plan provides us with the right to deduct or withhold, or require employees to remit to us, an amount sufficient to satisfy any applicable tax withholding requirements applicable to stock-based compensation awards. To the extent permitted, employees may elect to satisfy all or part of such withholding requirements by tendering previously owned shares or by having us withhold shares having a fair market value equal to the minimum statutory tax withholding rate that could be imposed on the transaction. Included in this table are shares withheld during the second quarter of 2023 in connection with the settlement of restricted stock units and performance share units to satisfy tax withholding requirements.

⁽³⁾ Average price paid per share (or unit) excludes excise taxes.

ITEM 5 - OTHER INFORMATION

SECURITIES TRADING PLANS OF DIRECTORS AND OFFICERS

During the quarterly period ended July 30, 2023, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6 - EXHIBITS

The following exhibits are included herein:

- 3.1 [Amended and Restated Certificate of Incorporation of PVH Corp. \(incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K, filed June 21, 2019\).](#)
- +3.2 [Certificate of Amendment to the Amended and Restated Certificate of Incorporation of PVH Corp., filed on June 22, 2023.](#)
- 3.3 [By-Laws of PVH Corp., as amended through June 20, 2019 \(incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K, filed on June 21, 2019\).](#)
- 4.1 [Specimen of Common Stock certificate \(incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the period ended July 31, 2011\).](#)
- 4.2 [Indenture, dated as of November 1, 1993, between Phillips-Van Heusen Corporation and The Bank of New York, as Trustee \(incorporated by reference to Exhibit 4.01 to our Registration Statement on Form S-3 \(Reg. No. 33-50751\) filed on October 26, 1993\); First Supplemental Indenture, dated as of October 17, 2002, to Indenture, dated as of November 1, 1993, between Phillips-Van Heusen Corporation and The Bank of New York, as Trustee \(incorporated by reference to Exhibit 4.15 to our Quarterly Report on Form 10-Q for the period ended November 3, 2002\); Second Supplemental Indenture, dated as of February 12, 2002, to Indenture, dated as of November 1, 1993, between Phillips-Van Heusen Corporation and The Bank of New York, as Trustee \(incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on February 26, 2003\); Third Supplemental Indenture, dated as of May 6, 2010, between Phillips-Van Heusen Corporation and The Bank of New York Mellon \(formerly known as The Bank of New York\), as Trustee \(incorporated by reference to Exhibit 4.16 to our Quarterly Report on Form 10-Q for the period ended August 1, 2010\); Fourth Supplemental Indenture, dated as of February 13, 2013, to Indenture, dated as of November 1, 1993, between PVH Corp. and The Bank of New York Mellon, as Trustee \(incorporated by reference to Exhibit 4.11 to our Quarterly Report on Form 10-Q for the period ended May 5, 2013\).](#)
- 4.3 [Indenture, dated as of June 20, 2016, between PVH Corp., U.S. Bank National Association, as Trustee, Elavon Financial Services Limited, UK Branch, as Paying Agent and Authenticating Agent, and Elavon Financial Services Limited, as Transfer Agent and Registrar \(incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on June 20, 2016\).](#)
- 4.4 [Indenture, dated as of December 21, 2017, between PVH Corp., U.S. Bank National Association, as Trustee, Elavon Financial Services DAC, UK Branch, as Paying Agent and Authenticating Agent, and Elavon Financial Services DAC, as Transfer Agent and Registrar \(incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on December 21, 2017\).](#)
- 4.5 [Indenture, dated as of July 10, 2020, between PVH Corp. and U.S. Bank National Association, as Trustee \(incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on July 10, 2020\) and Form of 4 5/8% Senior Note due 2025 \(incorporated by reference to Exhibit 4.2 and Appendix A to Exhibit 4.1 to our Current Report on Form 8-K, filed on July 10, 2020\).](#)
- 10.1 [PVH Corp. Stock Incentive Plan, as amended and restated effective June 22, 2023 \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on June 27, 2023\).](#)
- +31.1 [Certification of Stefan Larsson, Chief Executive Officer, pursuant to Section 302 of the Sarbanes – Oxley Act of 2002.](#)
- +31.2 [Certification of Zachary Coughlin, Executive Vice President and Chief Financial Officer, pursuant to Section 302 of the Sarbanes – Oxley Act of 2002.](#)
- *,+32.1 [Certification of Stefan Larsson, Chief Executive Officer, pursuant to Section 906 of the Sarbanes – Oxley Act of 2002, 18 U.S.C. Section 1350.](#)

*,+32.2 [Certification of Zachary Coughlin, Executive Vice President and Chief Financial Officer, pursuant to Section 906 of the Sarbanes – Oxley Act of 2002, 18 U.S.C. Section 1350.](#)

+101.INS Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

+101.SCH Inline XBRL Taxonomy Extension Schema Document

+101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document

+101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document

+101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document

+101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document

104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

+Filed or furnished herewith.

* Exhibits 32.1 and 32.2 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that Section. Such exhibits shall not be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PVH CORP.

Registrant

Dated: September 7, 2023

/s/ JAMES W. HOLMES

James W. Holmes

Executive Vice President and Controller (Principal Accounting Officer)

CERTIFICATE OF AMENDMENT
TO THE
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
PVH CORP.

Under Section 242 of the
General Corporation Law

PVH Corp., a corporation organized and existing under the General Corporation Law of the State of Delaware (the “Corporation”), does hereby certify as follows:

1. The original name of the Corporation was Phillips-Van Heusen Corporation.
2. The Corporation’s original Certificate of Incorporation was filed with the Secretary of State on April 8, 1976. The Corporation filed an Amended and Restated Certificate of Incorporation with the Secretary of State on June 20, 2019.
3. This Certificate of Amendment amends the provisions of the Corporation’s Amended and Restated Certificate of Incorporation by deleting Article SEVENTH of the Amended and Restated Certificate of Incorporation of the Corporation in its entirety and substituting in lieu thereof, the following:

“SEVENTH: No director or officer of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as a director or officer; provided, however, that nothing in this Article SEVENTH shall eliminate or limit the liability (i) of any director or officer for any breach of the director’s or officer’s duty of loyalty to the Corporation or its stockholders, (ii) of any director or officer for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) of any director under Section 174 of the General Corporation Law of the State of Delaware, (iv) of any director or officer for any transaction from which the director or officer derived an improper personal benefit, or (v) of any officer in any action by or in the right of the Corporation. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any director or officer of the Corporation for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.”

4. The foregoing amendment to the Amended and Restated Certificate of Incorporation of the Corporation has been duly authorized and adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by the undersigned, a duly authorized officer of the Corporation, on this 22nd day of June, 2023.

/s/ Mark D. Fischer

Mark D. Fischer, Executive Vice President

I, Stefan Larsson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PVH Corp.;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
 - d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 7, 2023

/s/ STEFAN LARSSON

Stefan Larsson
Chief Executive Officer

I, Zachary Coughlin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PVH Corp.;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
 - d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 7, 2023

/s/ ZACHARY COUGHLIN

Zachary Coughlin

Executive Vice President and
Chief Financial Officer

**CERTIFICATE PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of PVH Corp. (the "Company") for the quarterly period ended July 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stefan Larsson, Chief Executive Officer of the Company, certify, pursuant to section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: September 7, 2023

By:

Name:

/s/ STEFAN LARSSON

Stefan Larsson

Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATE PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of PVH Corp. (the "Company") for the quarterly period ended July 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Zachary Coughlin, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: September 7, 2023

By:

Name:

/s/ ZACHARY COUGHLIN

Zachary Coughlin
Executive Vice President and
Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.