

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

**FORM 10-K**

(Mark One)

- ☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the fiscal year ended January 29, 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)

<u>Delaware</u> (State or other jurisdiction of incorporation or organization)	<u>13-1166910</u> (I.R.S. Employer Identification No.)
<u>285 Madison Avenue, New York, New York</u> (Address of principal executive offices)	<u>10017</u> (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

Securities registered pursuant to Section 12(g) of the Act: **None**

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. **Yes** ☒ **No** ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. **Yes** ☐ **No** ☒

Indicate by check mark whether 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, a 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
(Do not check if a smaller reporting company)		Emerging growth company	<input type="checkbox"/>

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the registrant’s voting and non-voting common equity held by non-affiliates of the registrant (assuming, for purposes of this calculation only, that the registrant’s directors and corporate officers are affiliates of the registrant) based upon the closing sale price of the registrant’s common stock on July 31, 2022 (the last business day of the registrant’s most recently completed second quarter) was \$4,051,007,516.

Number of shares of Common Stock outstanding as of March 10, 2023: 62,712,753

**DOCUMENTS INCORPORATED BY REFERENCE**

Document	Location in Form 10-K in which incorporated
Registrant’s Proxy Statement for the Annual Meeting of Stockholders to be held on June 22, 2023	Part III

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SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Forward-looking statements in this Annual Report on Form 10-K 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 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 recent announcement that the Company intends 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 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 has led to our 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, and the temporary cessation of our business by many of our business partners in Ukraine; (xii) disease epidemics and health-related concerns, such as the ongoing COVID-19 pandemic, which could result in (and, in the case of the COVID-19 pandemic, has resulted 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 (or, with respect to the COVID-19 pandemic, could continue to 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.

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# **PVH Corp.**

## **Form 10-K**

**For the Year Ended January 29, 2023**

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## PART I

### Item 1. Business

#### Introduction

Unless the context otherwise requires, the terms “we,” “our” or “us” refer to PVH Corp. and its subsidiaries.

Our fiscal years are based on the 52-53 week period 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 our fiscal year, unless the context requires otherwise. Our 2022 year commenced on January 31, 2022 and ended on January 29, 2023; our 2021 year commenced on February 1, 2021 and ended on January 30, 2022; and our 2020 year commenced on February 3, 2020 and ended on January 31, 2021.

References to the brand names *TOMMY HILFINGER*, *TOMMY JEANS*, *Calvin Klein*, *CK Calvin Klein*, *Calvin Klein Jeans*, *Calvin Klein Underwear*, *Calvin Klein Performance*, *Warner’s*, *Olga* and *True&Co.*, which are owned, *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene*, which we owned through the second quarter of 2021 and now license back for certain product categories, and to other brand names owned by us or licensed to us by third parties in this report, are to registered and common law trademarks and are identified by italicizing the brand name.

#### Company Information

We were incorporated in the State of Delaware in 1976 as the successor to a business begun in 1881. Our principal executive offices are located at 285 Madison Avenue, New York, New York 10017; our telephone number is (212) 381-3500.

We make available at no cost, on our corporate website, PVH.com, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we have electronically filed such material with the Securities and Exchange Commission (“SEC”). All such filings are also available on the SEC’s website at sec.gov.

We also make available at no cost on PVH.com, the charters of the committees of the PVH Board of Directors, as well as our Corporate Governance Guidelines and Code of Business Conduct and Ethics.

#### Company Overview

We are one of the largest global apparel companies in the world. We have approximately 31,000 associates operating in more than 40 countries and generated \$9.0 billion, \$9.2 billion and \$7.1 billion in revenues in 2022, 2021 and 2020, respectively. Our iconic brands, *TOMMY HILFINGER* and *Calvin Klein*, together generated over 90% of our revenue during each of 2022 and 2021, and over 85% of our revenue during 2020. Our business was significantly negatively impacted by the COVID-19 pandemic during 2020, resulting in an unprecedented material decline in revenue. Revenue in 2021 and 2022 continued to be negatively impacted by the pandemic and related supply chain and logistics disruptions, although to a much lesser extent than in 2020. Please see our Management’s Discussion and Analysis of Financial Condition and Results of Operations included in Item 7 of this report for further discussion.

We manage a portfolio of iconic brands, including *TOMMY HILFINGER*, *Calvin Klein*, *Warner’s*, *Olga* and *True&Co.*, which are owned, *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene*, which we owned through the second quarter of 2021 and now license back for certain product categories, and other owned and licensed brands. We refer to our owned and licensed trademarks, other than *TOMMY HILFINGER* and *Calvin Klein*, as our “heritage brands” and the businesses we operate under the heritage brands trademarks as our Heritage Brands business.

We design and market branded sportswear (casual apparel), jeanswear, performance apparel, intimate apparel, underwear, swimwear, dress shirts, neckwear, handbags, accessories, footwear and other related products. Our brands are positioned to sell globally at various price points and in multiple channels of distribution. This enables us to offer differentiated products to a broad range of consumers, reducing our reliance on any one demographic group, product category, price point, distribution channel or region. 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 directly operated businesses in North America during 2022 consisted principally of (i) wholesale sales under our *TOMMY HILFINGER* and *Calvin Klein* trademarks and our owned and licensed heritage brands; (ii) the operation of digital commerce sites under our *TOMMY HILFINGER* and *Calvin Klein* trademarks; and (iii) the operation of retail stores, principally in premium outlet centers, under our *TOMMY HILFINGER* and *Calvin Klein* trademarks. Our directly operated businesses outside of North America consisted principally of (i) our wholesale and retail sales in Europe and the Asia-Pacific region under our *TOMMY HILFINGER* trademarks; (ii) our wholesale and retail sales in Europe, the Asia-Pacific region and Brazil under our *Calvin Klein* trademarks; and (iii) the operation of digital commerce sites in Europe and the Asia-Pacific region under the *TOMMY HILFINGER* and *Calvin Klein* trademarks, and in Brazil under the *Calvin Klein* trademark. Our licensing activities principally related to the licensing worldwide of our *TOMMY HILFINGER* and *Calvin Klein* trademarks for a broad array of product categories and for use in numerous discrete jurisdictions.

We have evolved from our 1881 roots to become a global company of iconic brands through a combination of transformative acquisitions and by successfully growing our brands globally across all channels of distribution. Our key acquisitions include the acquisition of Calvin Klein, Inc. and certain affiliated companies (“Calvin Klein”) in February 2003 (the “Calvin Klein acquisition”), the acquisition of Tommy Hilfiger B.V. and certain affiliated companies (“Tommy Hilfiger”) in May 2010 (the “Tommy Hilfiger acquisition”), and the acquisition of The Warnaco Group, Inc. and its subsidiaries (“Warnaco”) in February 2013 (the “Warnaco acquisition”). We also have acquired several regional licensed businesses and will continue to explore strategic acquisitions of licensed businesses, trademarks and companies that we believe are additive to our overall business.

We extended in November 2022 most of our licensing agreements with G-III Apparel Group, Ltd. (“G-III”) for *Calvin Klein* and *TOMMY HILFINGER* 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 completed the sale of certain of our heritage brands trademarks, including *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene*, as well as certain related inventories of our Heritage Brands business to Authentic Brands Group (“ABG”) and other parties (the “Heritage Brands transaction”), on the first day of the third quarter of 2021.

We licensed *Speedo* for North America and the Caribbean until April 6, 2020, on which date we sold the Speedo North America business to Pentland Group PLC (“Pentland”), the parent company of the *Speedo* brand. Upon the closing of the transaction, we deconsolidated the net assets of the Speedo North America business and no longer licensed the *Speedo* trademark.

We aggregate our reportable segments for purposes of discussion in this report into three main businesses: (i) Tommy Hilfiger, which consists of the Tommy Hilfiger North America and Tommy Hilfiger International segments; (ii) Calvin Klein, which consists of the Calvin Klein North America and Calvin Klein International segments; and (iii) Heritage Brands, which consists of the Heritage Brands Wholesale segment and, through the second quarter of 2021, the Heritage Brands Retail segment. We announced in 2020 a plan to exit our Heritage Brands Retail business, which was completed in 2021. Our Heritage Brands Retail segment has ceased operations. Note 20, “Segment Data,” in the Notes to Consolidated Financial Statements included in Item 8 of this report contains information with respect to revenue, income (loss) before interest and taxes, assets, depreciation and amortization, and capital expenditures related to each segment, as well as information regarding our revenue generated by distribution channel and based on geographic location, and the geographic locations where our net property, plant and equipment is held.

## Tommy Hilfiger Business Overview

*TOMMY HILFIGER* is one of the world's most recognized premium lifestyle brands, uplifting and inspiring consumers since 1985. The brand creates iconic style, which comes alive at the intersection of the classic and the new, co-created with people who are shaping culture around the world. *TOMMY HILFIGER* celebrates the essence of classic American style with a modern twist. Founder Tommy Hilfiger remains our Principal Designer and provides leadership and direction for the design process. Global retail sales of products sold under the *TOMMY HILFIGER* brands, including sales by our licensees, were approximately \$9.1 billion in 2022.

The *TOMMY HILFIGER* brands principally consist of *TOMMY HILFIGER* and *TOMMY JEANS*. Other sub-brands are used to further capitalize on the *TOMMY HILFIGER* brand appeal and vary in terms of price point, product offerings, target consumer or distribution channel. Products are sold globally in our stores, through our wholesale partners (in stores and online), through pure play digital commerce retailers and on *tommy.com*, and principally consist of men's, women's and kids' sportswear, denim, underwear, swimwear, accessories and footwear. The products sold under the brands include those produced under licenses with third parties for a broad range of lifestyle products, including footwear and accessories, eyewear, watches and jewelry, as well as for certain territories.

Tommy Hilfiger's global marketing and communications strategy is to build a consumer-centric, go-to-market strategy that maintains the brands' momentum, driving awareness, consistency and relevancy across product lines and regions. We engage consumers through comprehensive 360° marketing campaigns, which have a particular focus on offering capsules and collaborations together with innovative experiences and digital marketing initiatives. Marketing campaigns for the brands are focused on attracting a new generation of consumers worldwide through a blend of global and regional brand ambassadors. Tommy Hilfiger spent approximately \$235 million on global marketing and communications efforts in 2022, with a significant portion related to digital media spend.

Through our Tommy Hilfiger North America and Tommy Hilfiger International segments, we sell *TOMMY HILFIGER* products in a variety of distribution channels, including:

- Wholesale — principally consists of the distribution and sale of products in North America, Europe and the Asia-Pacific region under the *TOMMY HILFIGER* brands. In North America, distribution is primarily through 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. In Europe and the Asia-Pacific region, distribution is primarily through 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.
- Retail — principally consists of the distribution and sale of products under the *TOMMY HILFIGER* brands in our stores in North America, Europe and the Asia-Pacific region, as well as on the *tommy.com* sites we operate in these regions. Our stores in North America are primarily located in premium outlet centers. In Europe and the Asia-Pacific region, we operate full-price and outlet stores and concession locations.
- Licensing — we license the *TOMMY HILFIGER* brands to third parties globally for a broad range of products through approximately 35 license agreements. We provide support to our licensees and seek to preserve the integrity of our brands by taking an active role in the design, quality control, advertising, marketing and distribution of each licensed product, most of which are subject to our prior approval and continuing oversight. The arrangements generally are exclusive to a territory or product category. Territorial licensees include our joint ventures in Brazil, India and Mexico.

Tommy Hilfiger's key licensees, and the products and territories licensed, include:

Licensee	Product Category and Territory
American Sportswear S.A.	Men's, women's and children's apparel, footwear and accessories (Central America, South America (excluding Brazil) and the Caribbean)
F&T Apparel LLC & KHQ Investment LLC	Children's apparel, underwear and sleepwear and boy's tailored clothing (United States and Canada)
G-III Apparel Group, Ltd. / G-III Apparel Canada ULC <sup>(1)</sup>	Men's and women's outerwear, luggage, women's apparel, dresses, suits and swimwear (excluding intim sleepwear, loungewear, hats, scarves, gloves and footwear) and men's and women's activewear that also trademarks associated with the National Football League, Major League Baseball, the National Basketball Association, the National Hockey League, Major League Soccer or their member teams (United States and Canada)
Handsome Corporation	Men's, women's and children's apparel, sportswear, socks and accessories and men's and women's outer and golf products (South Korea)
MBF Holdings LLC	Men's and women's footwear (United States and Canada)
Movado Group, Inc. / Swissam Products, Limited	Men's and women's watches and jewelry (worldwide)
Peerless Clothing International, Inc.	Men's tailored clothing (United States and Canada)
Safilo Group S.p.A.	Men's, women's and children's eyeglasses and non-ophthalmic sunglasses (worldwide, excluding India)

<sup>(1)</sup> During the fourth quarter of 2022, we extended most of our license agreements with G-III for *TOMMY HILFIGER* in the United States and Canada, which now have staggered expirations from the end of 2023 through 2027. Upon expiration, we intend to bring most of these product categories in-house and directly operate these businesses.

Our Tommy Hilfiger North America segment includes the results of our Tommy Hilfiger wholesale, retail and licensing activities in the United States, Canada and Mexico, and our proportionate share of the net income or loss of our investments in our joint venture in Mexico and in the PVH Legwear LLC joint venture ("PVH Legwear") relating to each joint venture's Tommy Hilfiger business. Our Tommy Hilfiger International segment includes the results of our Tommy Hilfiger wholesale, retail and licensing activities outside of North America, and our proportionate share of the net income or loss of our investments in our joint ventures in Brazil and India relating to each joint venture's Tommy Hilfiger business. Please see Note 5, "Investments in Unconsolidated Affiliates," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of the Company's joint ventures.

## Calvin Klein Business Overview

*Calvin Klein* is one of the world's leading global fashion lifestyle brands with a history of bold, non-conformist ideals. Founded in New York in 1968, the brand's minimalist and sensual aesthetic drives our approach to product design and communication, creating a canvas that offers the possibility of limitless self-expression. Global retail sales of products sold under the *Calvin Klein* brands, including sales by our licensees, were approximately \$9.3 billion in 2022. Each of the brands has a distinct identity and position in the retail landscape, providing us the opportunity to market domestically and internationally a range of products at various price points, through multiple distribution channels and to different consumer groups.

The *Calvin Klein* brands consist of *CK Calvin Klein*, *Calvin Klein*, *Calvin Klein Jeans*, *Calvin Klein Underwear* and *Calvin Klein Performance*. Products are sold globally in our stores, through our wholesale partners (in stores and online), through pure play digital commerce retailers and on *calvinklein.com*, and principally consist of men's and women's sportswear, jeanswear, underwear, swimwear, footwear and accessories. The products sold under the brands include those produced under licenses with third parties for a broad range of lifestyle products, including fragrance, men's and women's apparel, home furnishings, footwear, eyewear, watches and jewelry in various countries and regions, as well as for certain territories.



Approximately \$355 million was spent globally in 2022 in connection with the advertising, marketing and promotion of the *Calvin Klein* brands, with a significant portion related to digital media spend, of which approximately 35% of these expenses were funded by Calvin Klein's licensees and other authorized users of the brands. Calvin Klein's global marketing and communications strategy is to bring together all facets of the consumer marketing experience. The *Calvin Klein* brands continue to generate compelling brand and cultural relevancy by continually evolving and driving consumer engagement. Marketing campaigns for the brand are focused on a truly digital first, socially powered experience for consumers, through the use of global and regional brand ambassadors, capsule collections and experiential events.

Through our Calvin Klein North America and Calvin Klein International segments, we sell *Calvin Klein* products in a variety of distribution channels, including:

- Wholesale — principally consists of the distribution and sale of products in North America, Europe, the Asia-Pacific region and Brazil under the *Calvin Klein* brands. In North America, distribution is primarily through department and specialty stores, warehouse clubs, and off-price and independent retailers, as well as digital commerce sites operated by department store customers and pure play digital commerce retailers. In Europe, the Asia-Pacific region and Brazil, distribution is primarily through 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.
- Retail — principally consists of the distribution and sale of products under the *Calvin Klein* brands in our stores in North America, Europe, the Asia-Pacific region and Brazil, as well as on the *calvinklein.com* sites we operate in these regions. Our stores in North America are primarily located in premium outlet centers. In Europe, the Asia-Pacific region and Brazil, we operate full-price and outlet stores and concession locations.
- Licensing — we license the *Calvin Klein* brands throughout the world in connection with a broad array of product categories. In these arrangements, Calvin Klein combines its design, marketing and branding skills with the specific manufacturing, distribution and geographic capabilities of its partners to develop, market and distribute these goods, most of which are subject to our prior approval and continuing oversight. Calvin Klein has approximately 40 licensing and other arrangements across the *Calvin Klein* brands. The arrangements generally are exclusive to a territory or product category. Territorial licensees include our joint ventures in India and Mexico.

Calvin Klein's key licensees, and the products and territories licensed, include:

<b>Licensee</b>	<b>Product Category and Territory</b>
CK21 Holdings Pte. Ltd.	Men's and women's <i>CK Calvin Klein</i> apparel (Asia, excluding Japan)
Coty Inc.	Men's and women's fragrance (worldwide)
Himatsingka Seide, Ltd.	Soft home bed and bath furnishings (United States, Canada, Mexico, Europe, Middle East, Asia and India)
F&T Apparel LLC & KHQ Investment LLC	Children's jeanswear and certain performance wear (United States and Canada)
G-III Apparel Group, Ltd. <sup>(1)</sup>	Women's suits, dresses, sportswear, jeanswear, active performancewear, handbags and small leather goods, men's and women's coats, men's and women's luggage and men's and women's swimwear (United States and Canada with luggage jurisdictions including Europe, Asia and elsewhere)
MBF Holdings LLC	Men's and women's <i>Calvin Klein</i> and <i>Calvin Klein Jeans</i> footwear (United States and Canada)
Marchon Eyewear, Inc.	Men's and women's optical frames and sunglasses (worldwide)
Movado Group, Inc.	Men's and women's watches and jewelry (worldwide)
Peerless Clothing International, Inc.	Men's tailored clothing (United States, Canada and Mexico)

<sup>(1)</sup> During the fourth quarter of 2022, we extended most of our license agreements with G-III for *Calvin Klein* in the United States and Canada, which now have staggered expirations from 2024 through 2027. Upon expiration, we intend to bring most of these product categories in-house and directly operate these businesses.

Our Calvin Klein North America segment includes the results of our Calvin Klein wholesale, retail and licensing activities in the United States, Canada and Mexico, and our proportionate share of the net income or loss of our investments in our joint venture in Mexico and in PVH Legwear, relating to each joint venture's Calvin Klein business. Our Calvin Klein International segment includes the results of our Calvin Klein wholesale, retail and licensing activities outside of North America, and our proportionate share of the net income or loss of our investment in our joint venture in India relating to the joint venture's Calvin Klein business. Please see Note 5, "Investments in Unconsolidated Affiliates," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of the Company's joint ventures.

## Heritage Brands Business Overview

Our Heritage Brands business includes the design, sourcing and marketing of a varied selection of women's intimate apparel principally under the *Warner's* and *True&Co.* brands and men's underwear under the *Nike* brand, which is licensed. Our Heritage Brands business also includes the design, sourcing and marketing of men's dress shirts and neckwear under the *Van Heusen* brand, as well as under various other licensed brand names.

This business also included until August 2, 2021, when we completed the Heritage Brands transaction, the design, sourcing and marketing of a varied selection of sportswear under the *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene* brands and the licensing to third parties of these brands for an assortment of product categories.

Our Heritage Brands Wholesale segment derives revenue primarily from the distribution and the sale of products in the United States and Canada through department, chain and specialty stores, warehouse clubs, mass market and off-price retailers (in stores and online), as well as through pure play digital commerce retailers.

Our Heritage Brands Wholesale segment principally includes the results of our wholesale and licensing activities, and our proportionate share of the net income or loss of our investments in our joint venture in Mexico and in PVH Legwear

relating to each joint venture's Heritage Brands business. This segment also included the results of our directly operated digital commerce site for *Van Heusen* and *IZOD* in the United States, which ceased operations during the third quarter of 2021 in connection with the Heritage Brands transaction. Please see Note 5, "Investments in Unconsolidated Affiliates," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of the Company's joint ventures.

Our Heritage Brands Retail segment ceased operations in 2021. This segment had included the results of our retail stores, primarily located in outlet centers throughout the United States and Canada, through which we marketed a selection of *Van Heusen*, *IZOD* and *Warner's* apparel, accessories and related products directly to consumers. We completed the exit from the business in the fourth quarter of 2021.

## Our Business Strategy

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 deliver financial performance for sustainable, long-term profitable growth and value creation. The execution of the PVH+ Plan builds on the core strengths of PVH to unlock the full potential of our two global iconic brands, *Calvin Klein* and *TOMMY HILFINGER*, through five key drivers:

- **Win with product** – By developing compelling products in the market across key growth categories, with a focus on expanding in large and growing global demand spaces where our iconic brands resonate most with consumers.
- **Win with consumer engagement** – By driving digital-first, 360° consumer engagement built around brand, key products and key consumer moments, partnering with creators in the industry who we believe are most relevant to each of our brands, and building out each brand's ambassador program, to meet consumers on their terms in new and engaging ways.
- **Win in the digitally-led marketplace** – By building a holistic distribution strategy for *Calvin Klein* and *TOMMY HILFINGER*, led by digital and direct-to-consumer channels, and supported by key wholesale partnerships.
- **Develop a demand- and data-driven operating model** – By driving a systematic and repeatable product creation model that puts the consumer first and leverages data to bring products consumers most desire to market with speed and agility.
- **Drive efficiencies and invest in growth** – By becoming more cost-competitive and reinvesting in key strategic growth drivers. We are simplifying how our teams work and identifying efficiencies to fuel growth initiatives with the greatest positive impact and strongest return.

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.

## Other Strategic Opportunities

We manage a portfolio of global iconic brands, including *TOMMY HILFINGER* and *Calvin Klein*. We do continue to explore strategic acquisitions of licensed businesses, companies and trademarks, licensing take-backs and licensing opportunities that we believe are additive to our overall business. These could include product category, platform capability expertise, brand positioning and design perspective needs. We take a disciplined approach to any acquisitions, seeking brands with broad consumer recognition that we can grow profitably and expand by leveraging our infrastructure and core competencies.

## **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. The COVID-19 pandemic and related supply chain and logistics disruptions have disrupted these patterns, however. We otherwise expect this seasonal pattern will generally continue. Working capital requirements vary throughout the year to support these seasonal patterns and business trends.

## **Design**

Our business depends on our ability to appeal and respond to consumer tastes and demands, as well as on our ability to remain competitive in the areas of quality, sustainability and delivering a compelling price value proposition where the consumer is shopping.

Our in-house design teams, together with our merchandising teams, are significant contributors to the continued strength of our brands. Each of our branded businesses employs its own team of designers and merchandisers that are responsible for conceptualizing and implementing the design direction for the brand across the consumer touchpoints of product, stores and marketing. Designers have access to the brands' extensive archives of product designs, which are a valuable resource for new product concepts. Our designers collaborate with merchandising teams that analyze sales, market trends and consumer preferences to identify market opportunities that help guide each season's design process and create a globally relevant product assortment. Leveraging our strategic investments in data and analytics tools, merchandisers are able to gain a deeper understanding of customer behavior that empowers our teams to respond to changes in consumer preferences and demand, as well as scale opportunities across brands with greater speed and efficiency. Our merchandising teams manage the product life cycle to maximize sales and profitability across all channels. In an effort to keep our brands relevant, our teams also work with other brands and key collaborators to design and merchandise brand collaborations. These collaborations are intended to drive brand heat and product relevance with our target consumers.

Our teams have expanded their use of 3D design technology to enhance our design capabilities, which was accelerated by the COVID-19 pandemic, reducing the need for samples early in the design process and the time needed to bring products to market.

## **Product Sourcing**

We have an extensive established network of worldwide sourcing partners that enables us to meet our customers' needs without relying on any one vendor or factory or on vendors or factories in any one country. Our products were produced in approximately 1,100 factories in approximately 40 countries during 2022. All of these factories were operated by independent manufacturers, with most located in Asia.

We source finished products and, to a limited extent, raw materials and trim. Raw materials and trim include fabric, buttons, thread, labels and similar components. Finished products consist of manufactured and fully assembled products ready for shipment to our customers and our stores. Raw material, trim and finished product commitments are generally made two to six months prior to production. We believe that an ample number of alternative suppliers exist should we need to secure additional or replacement production capacity and raw materials.

Our purchases from our suppliers are effected through individual purchase orders specifying the price, quantity, delivery date and destination of the items to be produced. Sales are monitored regularly at both the retail and wholesale levels and modifications in production can be made either to increase or reduce inventories. We look to establish long-term supplier relationships in the appropriate locations throughout the world to meet our needs and we place our orders in a manner designed to limit the risk that a production disruption at any one facility could cause a serious inventory problem, while seeking to maximize pricing opportunities. The COVID-19 pandemic has had impacts throughout our supply chain, including as a result of vessel, container and other transportation shortages, labor shortages and port congestion globally, as well as production delays in some of our key sourcing countries, which has delayed product orders. We have incurred, beginning in the second half of 2021 and throughout the first half of 2022, higher air freight and other logistics costs in connection with these disruptions. To mitigate these supply chain and logistics disruptions, we increased our core product inventory levels in 2022. We continue to

monitor for any production delays and other potential disruptions in our supply chain and will continue to implement mitigation plans as needed.

The manufacturers of our products are required to meet our quality, human rights, safety, environmental and cost requirements. Our global supply chain teams, offices and buying agents enable us to monitor the quality of the goods manufactured by, and the delivery performance of, our suppliers and work with our global compliance teams to ensure the enforcement of our human rights and labor standards and other code of conduct requirements through our ongoing extensive training, approval and monitoring system. They also monitor and track the primary cost inputs to the finished product to ensure that we pay the most appropriate cost for our finished goods.

We continue to explore new areas of production that can grow with our businesses. Our country of origin strategy provides a flexible approach to product sourcing, which enables us to maximize regional opportunities and mitigate our potential exposure to risks associated with new duties, tariffs, surcharges, or other import controls or restrictions, as has been the case with China, where we have been reducing the amount of production over time in favor of production in other parts of Asia that better serve our sourcing strategy. Many of these efforts have been with our existing partners, but in facilities and countries that offer us production or cost advantages over those in China.

We also continue to develop strategies that can enhance the operational efficiency of our supply chain and unlock gross margin opportunities. In addition to expanding our use of 3D design technology to reduce the time needed to bring products to market, we have also utilized 3D showrooms to be more cost and time efficient. Speed is another critical focus area across the Company. We have implemented various speed models, core replenishment and read and react capabilities for select categories to enhance our operations and make our business model more dynamic and responsive, while also increasing service levels, reducing inventory exposure and improving quality and consumer value. We believe the enhancement of our supply chain efficiencies and working capital management through the effective use of our distribution network and overall infrastructure will allow us to control costs better and provide improved service to our customers.

## Corporate Responsibility

As an industry leader and one of the largest fashion companies in the world, we recognize that we have a responsibility to address our social and environmental impacts. Corporate responsibility has always played a critical role within our broader business strategy. We are steadfast in our commitment to drive fashion forward – for good – by finding innovative and responsible solutions to protect our planet, cultivating an environment of inclusion, diversity and equity, and improving the lives of women and children where we live and work.

*Forward Fashion*, our global corporate responsibility strategy, is our roadmap for reaching our time-bound commitments in the critical areas of climate change and human rights. It represents a deepening of our commitment to action and a renewed sense of urgency to use our scale to transform ourselves and the industry. We are committed to the goals outlined in our *Forward Fashion* strategy and remain focused on the following:

- Protecting the global climate by reducing energy use and powering our business through renewable sources, diverting the waste we send to landfills, eliminating water pollution from our wet processors, and fostering and harnessing innovation to design and manufacture products that eliminate product waste.
- Ensuring our products and packaging are ethically and sustainably sourced from suppliers who respect human rights and are good employers.
- Improving the lives of the people across our value chain, focusing on education and opportunities for women and children, ensuring access to clean water, investing in health and education initiatives, and continuing to champion inclusion and diversity.

Our businesses are an integral part of our *Forward Fashion* strategy and are equally committed to delivering against our corporate responsibility priorities.

We issue an annual report on our corporate responsibility efforts that can be found on our corporate website.

## Warehousing, Distribution and Logistics

Our products are shipped from manufacturers to our wholesale and retail warehousing and distribution centers for inspection, sorting, packing and shipment. Centers range in size, and our main facilities, some of which are owned and operated by independent third parties, are located in the United States, the Netherlands, Canada, China, Japan, South Korea, Brazil and Australia. Our warehousing and distribution centers are designed to provide responsive service to our wholesale and digital commerce customers, as well as our retail stores, on a cost-effective basis.

## Material Customers

Our largest customers account for significant portions of our revenue. Sales to our five largest customers were 14.1% of our revenue in 2022, 15.0% of our revenue in 2021 and 16.3% of our revenue in 2020. No single customer accounted for more than 10% of our revenue in 2022, 2021 or 2020.

## Advertising and Promotion

Our marketing programs are an integral component of our brands' relevance and success of the products offered under them. We are focused on driving consumer engagement through a digital-first 360° approach around key hero products and key consumer moments, utilizing our iconic brands as creative platforms for collaborations, capsule collections and experiential events, and partnering with culturally relevant talent to build brand heat. Our initiatives fuse entertainment, pop culture, and digital commerce in innovative ways that digitally immerse consumers.

We build each of our brands to be a leader in its respective market segment, with strong consumer awareness, relevance and consumer loyalty. We design and market our products to complement each other, satisfy lifestyle needs, emphasize product features important to our target consumers, including sustainability attributes, deliver a strong price/value proposition and encourage consumer loyalty.

Our marketing and advertising efforts encompass marketing, communications, social media and special events. Our in-house teams coordinate our brands' marketing and advertising, tailoring the overall consumer experience for all regions and product lines, and across all channels of distribution. We believe that this enhanced marketing approach enables us to meet our consumers' needs as we adapt to their rapidly changing demands.

A significant emphasis of our marketing programs is digital media, including our digital commerce platforms and social media channels, which allow us to expand our consumer reach and enable us to provide timely information in an entertaining fashion in regard to our products, special events, promotions and store locations. Tommy Hilfiger's digital commerce site, *tommy.com*, and Calvin Klein's digital commerce site, *calvinklein.com*, serve as marketing vehicles to complement the ongoing development of the *TOMMY HILFIGER* and *Calvin Klein* lifestyle brands, respectively, in addition to offering a broad array of apparel and licensed products. In 2022, a significant portion of our marketing and advertising spend related to digital media.

We leverage new ways to engage consumers through livestreaming fashion shows and other consumer activations and in partnership with top live-streamers and pure play partners, as well as through new innovative and creative ways that engage consumers in the metaverse. In addition, we advertise our brands through sport sponsorships and product tie-ins. We believe that our use of high-profile brand ambassadors and well-known social media influencers helps drive our brand awareness and cultural relevance. We have focused on better aligning regional needs with regional and local ambassadors and influencers to best cater to local market needs and unique activations. Additionally, the *TOMMY HILFIGER* brand marketing and communications team coordinates personal appearances by Mr. Tommy Hilfiger, including at brand events, as part of their efforts.

Our approach is intended to ensure a consistent consumer experience in the digitally led marketplace that is seamlessly connected both online and offline, across all of our digital commerce, retail and wholesale channels.

## Trademarks

We own the *TOMMY HILFINGER*, *Calvin Klein*, *Warner's*, *Olga* and *True&Co.* trademarks, as well as related trademarks (e.g., the *TOMMY HILFINGER* flag logo and crest design) and lesser-known names. We own the *Calvin Klein* trademarks through our ownership of the Calvin Klein Trademark Trust (the "Trust"). The sole purpose of the Trust is to hold these marks. Our owned trademarks are registered for use in each of the primary countries where our products are sold and additional applications for registration of these and other trademarks are made in jurisdictions to accommodate new marks, uses in additional trademark classes or additional categories of goods or expansion into new countries.

Mr. Tommy Hilfiger is prohibited in perpetuity from using, or authorizing others to use, the *TOMMY HILFINGER* marks (except for the use by Mr. Hilfiger of his name personally and in connection with certain specified activities). In addition, we are prohibited in perpetuity from selling products not ordinarily sold under the names of prestige designer businesses or prestige global lifestyle brands without Mr. Hilfiger's consent, from engaging in new lines of business materially different from such types of lines of business without Mr. Hilfiger's consent, or from disparaging or intentionally tarnishing the *TOMMY HILFINGER*-related marks or Mr. Hilfiger's personal name.

Mr. Calvin Klein retains the right to use his name, on a non-competitive basis, with respect to his right of publicity, unless those rights are already being used in our Calvin Klein business. Mr. Klein also has been granted a royalty-free worldwide right to use the *Calvin Klein* mark with respect to certain personal businesses and activities, subject to certain limitations designed to protect the image and prestige of the *Calvin Klein* brands and to avoid competitive conflicts.

Our trademarks are the subject of registrations and pending applications throughout the world for use on a variety of apparel, footwear and related products, as well as licensed product categories and other trademark classes relevant to how we conduct business. We continue to expand our worldwide usage and registration of new and related trademarks. In general, trademarks remain valid and enforceable as long as the marks continue to be used in connection with the products and services with which they are identified and, as to registered tradenames, the required registration renewals are filed. In markets where products bearing any of our brands are not sold by us or any of our licensees or other authorized users, our rights to the use of trademarks may not be clearly established.

Our trademarks and other intellectual property rights are valuable assets and we vigorously seek to protect them on a worldwide basis against infringement. We are susceptible to others imitating our products and infringing on our intellectual property rights. The *TOMMY HILFINGER* and *Calvin Klein* brands, in particular, enjoy significant worldwide consumer recognition and their price-positioning provides opportunity and incentive for counterfeiters and infringers. We have broad, proactive enforcement programs that we believe have been generally effective in controlling the sale of counterfeit products in our key markets.

## Competition

The apparel industry is competitive as a result of its fashion orientation, mix of large and small producers, low barriers to entry, the flow of domestic and imported merchandise and the wide diversity of retailing methods. We compete with numerous domestic and foreign designers, brand owners, manufacturers and retailers of apparel, accessories and footwear, including, in certain circumstances, the private label brands of our wholesale customers. Additionally, with the shift in consumer shopping preferences driving substantial growth in the digital channel, there are more companies in the apparel sector and an increased level of transparency in pricing and product comparisons, which impacts purchasing decisions. Consumers also are increasingly focused on circularity with respect to apparel and the option from new market players to rent or purchase pre-owned apparel also is impacting purchasing decisions.

We believe we are well-positioned to compete in the apparel industry on the basis of style, quality, price and service. Our business depends on our ability to remain competitive in these areas, as well as on our ability to stimulate consumer tastes and demand through our product offerings and marketing and advertising efforts. Our brands are positioned to sell globally at various price points and in multiple channels of distribution. This enables us to offer differentiated products to a broad range of consumers, reducing our reliance on any one demographic group, product category, price point, distribution channel or region. Our brands generally have long histories and enjoy high recognition and awareness within their respective consumer segments. The worldwide recognition of the *TOMMY HILFINGER* and *Calvin Klein* brands provides us with significant global opportunities to expand their global penetration in existing markets, into new markets and into additional product categories.

## Imports and Import Restrictions

Most of our products are imported into the countries where they are sold. These products are subject to various customs laws, which may impose tariffs, as well as quota restrictions and other laws and regulations covering imports. The United States and other countries in which we sell our products may impose, from time to time, new duties, tariffs, surcharges, or other import controls or restrictions, including the imposition of a “safeguard quota,” or adjust presently prevailing duty or tariff rates or levels. We, therefore, continuously monitor import restrictions and developments. We seek to minimize, where appropriate and possible, our potential exposure to import related risks through, among other measures, adjustments in product design and fabrication, shifts of production among countries (including consideration of countries with tariff preference and free trade agreements), and manufacturers, and geographical diversification of our sources of supply. In some instances, production of a specific product category, component parts or raw materials may be highly concentrated in one country, giving us less flexibility to make adjustments.

The United States and China are involved in a trade dispute that saw the imposition in 2019 of significant additional tariffs on the products we sell that are imported into the United States from China. These tariffs remain in place. Additionally, other governmental actions, such as the imposition by U.S. Customs and Border Protection (“CBP”) of Withhold Release Orders (“WROs”) have had, continue to have and, in the future, may have an impact on our ability to import goods. Our industry has experienced and we have been impacted by, increased regulation and enforcement in 2022, in particular in regards to concerns around forced labor in supply chains. Please see our risk factor “*We primarily use foreign suppliers for our products and raw materials, which poses risks to our business operations*” in Item 1A, “Risk Factors,” for further discussion.

## Government Regulations

Our business is subject to various United States federal, state, and local and foreign laws and regulations, including environmental, health and safety laws and regulations. In addition, we may incur liability under environmental statutes and regulations with respect to the contamination of sites that we own or operate or previously owned or operated (including contamination caused by prior owners and operators of such sites and neighboring properties, or other persons) and the off-site disposal of hazardous materials. We believe our operations are in compliance with the terms of all applicable laws and regulations and our compliance with these laws and regulations has not had, and is not expected to have, a material effect on our capital expenditures, cash flows, earnings or competitive position.

## Human Capital Resources

We believe that attracting, developing and retaining capable and diverse talent is critical to our long-term success. To facilitate talent attraction and retention, we strive to create a strong associate experience and a diverse and inclusive workplace, with opportunities for our associates to grow and develop in their careers, supported by competitive compensation, benefits and health and wellness programs, and by programs that build connections between our associates and their communities.

### Governance and Oversight

The PVH Board of Directors and its committees provide oversight on human capital matters. The Nominating, Governance & Management Development Committee is charged, in part, with monitoring issues of corporate conduct and culture, and provides oversight of diversity, equity and inclusion policies and programs as it relates to our management development, talent assessment and succession planning programs and processes. The Board’s Corporate Responsibility Committee is responsible for monitoring policies and performance related to corporate responsibility, including employment and workers’ rights. In addition, our Executive Leadership Team is regularly engaged in the development and management of key associate programs and initiatives, guiding our culture, associate experience, and talent development programs.



### Associate Information

As of January 29, 2023, we employed approximately 31,000 associates, of which approximately 12,000 associates were employed on a part-time basis. Approximately 35% of our associates are employed in the United States. Approximately 63% of our associates are employed in Company-operated retail stores, 31% are assigned to offices and 6% are employed in warehousing and distribution facilities. Our use of seasonal workers is not significant and is largely associated with the Christmas and Lunar New Year selling periods. Approximately 2% of our total associate population is represented for the purpose of collective bargaining by two different unions in the United States. Our collective bargaining agreements generally are for three-year terms. In some international markets, a significant percentage of associates are covered by governmental labor arrangements. Additionally, we have one or more works councils in several European countries. Works councils are organizations that represent workers in respect to certain actions management seeks to take that could have a broad effect on the workers. We believe that our relations with our associates are good.

### Diversity, Equity and Inclusion

Our culture is grounded in our values. We seek to cultivate an environment of inclusion, equity and belonging for all to build a better workplace, drive innovation in the marketplace and create positive impacts in our communities.

We believe we benefit from the unique strengths that each of our associates brings to the workplace, and that a diverse workforce is critical to our long-term success. We strive to improve continuously and make PVH an inclusive work environment through diversity recruitment, development programs, and equitable policies and initiatives. One example is our business resource groups (“BRGs”), which are associate-initiated and associate-led groups that foster an inclusive culture and are intended to contribute to the overall success of the business. We have ten BRGs with 18 chapters globally, most of which are comprised of associates from traditionally underrepresented groups and allies who support them. The BRGs are dedicated to bringing associates together to increase professional and social networks, enhance career development and business acumen, and contribute to building a more inclusive work environment. These groups are supported by our global and regional Inclusion and Diversity (“I&D”) Councils.

Our Chief Diversity Officer leads the development and implementation of an integrated global I&D strategy and works to enhance our ability to attract, develop, retain and promote diverse talent. The diversity of the Board of Directors continues to be a focus of the Board refreshment program. The seven independent directors who have joined the Board since 2015 include four women, a Southeast Asian and a director who self-identifies as Black/bi-racial and LGBTQIA+. These diverse directors comprise over 50% of our Board, bring with them strong operating and industry experiences, and contribute important and diverse perspectives that help better mirror the overall make-up of our associate and consumer populations.

Our I&D efforts have been recognized externally over the years, including PVH being named in 2022 to Forbes America’s Best Employers for Diversity and World’s Top Female Friendly Companies, and as one of America’s 100 Most JUST Companies by Forbes magazine and JUST Capital. We also received a score of 100% on the Human Rights Campaign’s Corporate Equality Index in 2022, for the sixth year in a row. We also were ranked ninth on the *Fortune* Measure Up list of 20 progressive companies in diversity and inclusion in 2021.

### Talent Management and Development

Our talent management and development processes support associate performance, development, talent reviews and succession planning. We regularly review succession plans and conduct assessments to identify talent needs and growth paths for our associates.

Developing our associates is a key strategic priority for us, with the focus on developing leaders and preparing the workforce for the future. PVH University, our global internal learning and development platform, provides engaging and impactful learning content tools and learning opportunities that empower associates to build core competencies and develop skills necessary for improvement and advancement. PVH University programs include, among other things, academies for leadership and our Leadership Behaviors offerings, which are bespoke programs designed to build leadership capabilities for all associates to support our culture and deliver our business strategy. The PVH University library and curriculum includes its digital academy to build enterprise digital and data literacy, as well as to support digital transformation initiatives, and its functional academy to support functional skill building. Additionally, our approach to performance and development is designed to motivate our associates to develop, leverage their strengths and support a coaching and feedback culture.

### Compensation, Benefits and Wellness

We are committed to providing market competitive compensation and benefits, tailoring our offerings to the countries and regions where our associates work to best position our programs locally while recognizing differing levels and types of government-provided and mandated benefits. These benefits include, among other things, corporate wellness programs, retirement plan benefits, flexible and hybrid working arrangements, a global employee assistance program, paid parental and other supportive leaves, recognition programs (for exemplary work, work anniversaries, etc.) and an associate discount program.

To support wellness, we have undertaken initiatives such as closing our offices worldwide in respect of World Mental Health Day and broadening access to physical, mental, and emotional well-being resources, including the wellness applications Headspace and Virgin Pulse. “Work from Anywhere” weeks provide associates with the flexibility to work up to four weeks each year from anywhere. In the United States, an annual “Be You Day” is an addition to paid days off for use as each individual decides, and the third Friday of every month includes a “You Matter Moment,” when calendars are blocked for associates to take PVH University courses, exercise, or engage in other self-directed wellness or enrichment activities.

In regard to compensation, we are committed to achieving pay equity and have developed a global framework of consistent guidelines and practices on compensation. We also engaged third party experts that recently conducted a global study of gender and ethnicity pay equity.

We are committed to supporting our associates in times of need. We have established a Company- and associate-funded Associate Relief Fund that provides grants to eligible associates experiencing personal hardship due to natural disasters, personal calamities and other events. In 2022, we provided financial and operational support to our associates and their families directly impacted by the war in Ukraine.

The health and safety of our associates is of utmost importance to us. In 2022, we continued to closely monitor the impacts of the COVID-19 pandemic and made decisions that we determined were in the best interest of our associates, as well as their families and the communities in which we operate, particularly in China where COVID-related lockdowns and restrictions continued to be in effect throughout 2022. The vast majority of our office-based associates worked remotely from March 2020 through most of 2021. In 2022, we took a phased approach to returning our office-based associates onsite when permissible. This included modifications to certain of our existing office locations as we adapted to a hybrid work environment that provides flexibility, while maintaining our strong culture of collaboration and connection, in addition to a safe working environment for our associates.

### Associate and Community Engagement

We believe it is critical that our associates are informed and engaged. We communicate frequently with our associates through a variety of methods, including our news app, PVH Insider, which reaches associates around the world; our intranet site, the Thread; town hall meetings on regional, business-wide and global bases; and our regular global PVH Listens survey, as well as pulse surveys. We develop action plans based on the insights from these communications to strengthen programs and address any concerns to enhance associate experience.

Local community engagement activities exist in all major office locations. Our global philanthropic efforts are led by The PVH Foundation, a nonprofit corporation which supports global, national, and local nonprofits in communities where our associates work and live. PVH’s matching gift program allows our associates to have their philanthropic donations to qualifying organizations matched by The PVH Foundation to increase their impact. Associates are also offered paid time off each year to volunteer with organizations of their choice.

We encourage you to read our annual Corporate Responsibility Report on our PVH.com corporate website for more detailed information regarding our environmental, social and corporate governance programs and initiatives. None of our corporate website, our Corporate Responsibility Report nor any portions thereof are incorporated by reference into this Annual Report.

## Executive Officers of the Registrant

The following table sets forth the name, age and position of each of our executive officers:

Name	Age	Position
Stefan Larsson	48	Chief Executive Officer
Zachary Coughlin	47	Executive Vice President and Chief Financial Officer
Martijn Hagman	48	Chief Executive Officer, Tommy Hilfiger Global and PVH Europe
Mark D. Fischer	61	Executive Vice President, General Counsel and Secretary
Julie Fuller	49	Executive Vice President, Chief People Officer
Eva Serrano	50	Global Brand President, Calvin Klein

Mr. Larsson joined us as President in 2019 and became Chief Executive Officer on the first day of 2021. From 2015 until 2017, Mr. Larsson was President and Chief Executive Officer of Ralph Lauren Corporation. From 2012 until 2015, he was the Global President of Old Navy, Inc., a division of The Gap, Inc.

Mr. Coughlin joined us as Executive Vice President, Chief Financial Officer on April 4, 2022. From 2019 until 2021, Mr. Coughlin was Group Chief Financial Officer and Chief Operating Officer of DFS Holdings Limited, a subsidiary of the LVMH Group. From 2015 until 2018, he was Chief Financial Officer of Converse, Inc., a subsidiary of Nike, Inc.

Mr. Hagman has been employed by us (including his employment within our Tommy Hilfiger organization prior to the Tommy Hilfiger acquisition) since 2008. He was named Chief Financial Officer, PVH Europe in 2013, Chief Operating and Financial Officer, PVH Europe in 2017, and Chief Executive Officer, Tommy Hilfiger Global and PVH Europe in 2020.

Mr. Fischer joined us as Vice President, General Counsel and Secretary in 1999. He became Senior Vice President in 2007 and Executive Vice President in 2013.

Ms. Fuller, Executive Vice President, Chief People Officer since 2021, joined us as Executive Vice President, Chief Human Resources Officer In Transition in 2020. From 2017 until joining PVH, Ms. Fuller was Vice President, Global Talent and Organizational Effectiveness of Nike, Inc., having served previously as Nike, Inc.'s Vice President, Human Resources North America and Emerging Markets beginning in 2015.

Ms. Serrano joined us as Global Brand President, Calvin Klein on March 6, 2023. From 2019 until joining PVH, Ms. Serrano was President, Inditex Greater China, having served as International Commercial Director for Zara Asia Pacific, a subsidiary of Inditex, from 2006 to 2018.

## Item 1A. Risk Factors

The following risk factors should be read in conjunction with the other information set forth in this Annual Report on Form 10-K when evaluating our business and the forward-looking statements contained within this report. The occurrence of one or more of the circumstances or events described below could have a material adverse effect on our business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may occur or become material and also may adversely affect our business, financial condition or results of operations.

### **Business and Operational Risks**

#### ***The COVID-19 pandemic has had a significant impact on us and may continue to impact us in the future.***

The COVID-19 pandemic has had a significant impact on our business, results of operations, financial position and cash flows from operations. The extent of the impact of the pandemic on our business in the future, if any, will depend, in part, on the duration, severity, and location of any resurgences of infections.

Virtually all of our retail stores were temporarily closed for varying periods of time during the first quarter and into the second quarter of 2020 due to governmental orders and concern for the health and safety of our associates, consumers and communities. Broad shutdowns under government orders, particularly in Europe and Canada, were put in place again at the end of 2020, resulting in temporary store closures there that remained in place into 2021. Infection rate surges throughout 2021 resulted in temporary store closures for varying periods of time throughout the year, primarily in Europe, Australia and Asia. COVID-related pressures continued into 2022, although to a much lesser extent than in 2021 in all regions except China. Strict lockdowns in China resulted in extensive temporary store closures and significant reductions in consumer traffic and purchasing throughout 2022, and impacted certain warehouses, resulting in a temporary pause of deliveries to our wholesale customers and from our 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.

Our brick and mortar wholesale customers and our licensing partners also experienced significant business disruptions as a result of the pandemic. Our wholesale customers and franchisees globally generally experienced temporary store closures and operating restrictions and obstacles in the same countries and at the same times as us. The impact of the pandemic on some of our brick and mortar wholesale customers resulted in them closing their stores, with several of our wholesale customers in North America filing for bankruptcy in 2020. Certain of our wholesale customers have also been subject to activist shareholder campaigns that can distract management, upset business plans and drain funds that could be invested in business operations.

The pandemic has 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 slowdowns in factory production in some of our key sourcing countries delayed product orders, particularly during the second half of 2021 and throughout 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 and our sales volumes. We also incurred higher freight and other logistics costs in connection with these disruptions, which negatively impacted our gross margin.

Consumers have also been affected, and may continue to be affected, by the pandemic, resulting in adverse impacts on us. Concerns about the health risks in traveling, as well as consumers' illness or unwillingness to shop in stores out of fear of exposure, has adversely affected traffic in our stores and our wholesale customers' and franchisees' stores. Consumer spending has been, and may continue to be, negatively impacted by job losses and reduced earnings power, inflationary pressures, and other factors. All these factors have negatively impacted, and might continue to negatively impact, our direct sales to consumers and our sales to our wholesale customers, due to lower sales of our products, and those of our licensees, through their sales channels.

Any or all of the foregoing could have a material and adverse impact on our results of operations, financial condition and cash flows from operations.

***A significant portion of our revenue and gross profit is derived from a small number of large wholesale customers and the loss of any of these customers or significant financial difficulties in their businesses could substantially reduce our revenue.***

A small number of our customers account for significant portions of our revenue. Sales to our five largest customers were 14.1%, 15.0% and 16.3% of our revenue in 2022, 2021 and 2020, respectively. No single customer accounted for more than 10% of our revenue in 2022, 2021 or 2020.

We do not have long-term agreements with any of our customers and purchases generally occur on an order-by-order basis. A decision by any of our major customers, whether motivated by marketing strategy, competitive conditions, financial difficulties, climate impacts or otherwise, to decrease significantly the amount of merchandise purchased from us or our licensing or other partners, or to change their manner of doing business with us or our licensing or other partners for any reason, including due to store closures, reduced traffic and consumer spending trends, or product delivery delays, such as those that resulted from the COVID-19 pandemic, could reduce substantially our revenue and materially adversely affect our profitability.

Traditional brick and mortar retailers have experienced the same significant business disruptions as a result of the COVID-19 pandemic as we have. Several of our customers in North America filed for bankruptcy since the onset of the pandemic, including J.C. Penney Corporation, Inc., which was one of our ten largest customers in 2019.

The retail industry's recent history has seen a great deal of consolidation, particularly in the United States, and other ownership changes, as well as store closing programs, restructurings, reorganizations, management changes and activist shareholder campaigns, and we expect these disruptions to be ongoing, particularly as consumers continue to transition away from traditional brick and mortar retailers to digital commerce. In the future, retailers also may reposition their stores' target markets or marketing strategies. Any of these types of actions could result in a further decrease in the number of stores to which we can sell, to which we want to sell or which want to carry our products and there can be no assurance that these sales can be fully offset by sales into digital channels. Additionally, stores may purchase a smaller amount of our products and reduce the retail floor space designated for our brands. These changes could decrease our opportunities in the market, increase our reliance on a smaller number of customers or decrease our negotiating strength with our customers. These factors could have a material adverse effect on our financial condition and results of operations.

***We may not be able to continue to develop and grow our Tommy Hilfiger and Calvin Klein businesses.***

A significant portion of our PVH+ Plan strategy involves growing our Tommy Hilfiger and Calvin Klein businesses. Our achievement of revenue and profitability growth from Tommy Hilfiger and Calvin Klein will depend largely upon our ability to:

- continue to maintain and enhance the distinctive brand identities of the *TOMMY HILFIGER* and *Calvin Klein* brands;
- continue to maintain good working relationships with Tommy Hilfiger's and Calvin Klein's licensees and enter into new, or renew or extend existing, license agreements and successfully transition licensed businesses in house, including the plan we announced in November 2022 to bring in-house over time most of the *Calvin Klein* and *TOMMY HILFIGER* product categories currently licensed to G-III and directly operate those businesses upon expiration of the licensing agreements; and
- continue to strengthen and expand the Tommy Hilfiger and Calvin Klein businesses.

We cannot assure you that we can execute successfully any of these actions or our growth strategy for these businesses, nor can we assure you that the launch of any additional product lines or businesses by us or our licensees or that the continued offering of these lines will achieve the degree of consistent success necessary to generate profits or positive cash flow. Our ability to carry out our growth strategy successfully may be affected by, among other things, our ability to enhance our relationships with existing customers to obtain additional selling space or add additional product lines, our ability to develop new relationships with retailers, economic and competitive conditions, changes in consumer spending patterns and changes in consumer tastes and style trends. If we fail to continue to develop and grow the Tommy Hilfiger or Calvin Klein businesses, our financial condition and results of operations may be materially adversely affected.

***The success of our Tommy Hilfiger and Calvin Klein businesses depends on the value of our “TOMMY HILFIGER” and “Calvin Klein” brands and, if the value of either of those brands were to diminish, our business could be adversely affected.***

Our success depends on our brands and their value. The *TOMMY HILFIGER* name is integral to the existing Tommy Hilfiger business, as well as to our strategies for continuing to grow and expand the business. Mr. Hilfiger, who continues his role of Principal Designer, is closely identified with the *TOMMY HILFIGER* brand and any negative perception with respect to Mr. Hilfiger could adversely affect the *TOMMY HILFIGER* brands. In addition, under Mr. Hilfiger’s employment agreement, if his employment is terminated for any reason, his agreement not to compete with the Tommy Hilfiger business will expire two years after such termination. Although Mr. Hilfiger could not use any *TOMMY HILFIGER* trademark in connection with a competitive business, his association with a competitive business could adversely affect the Tommy Hilfiger business. We also have exposure with respect to the *Calvin Klein* brands, which are integral to the existing Calvin Klein business and could be adversely affected if Mr. Klein’s public image or reputation were to be tarnished.

In addition, brand value and patronage could diminish significantly due to a number of other factors, including consumer attitudes regarding social and political issues and consumer perceptions of our position on these issues, the positions taken by celebrities, athletes and others who promote our products (and our response to the same) or a belief that we or our business partners have acted in an irresponsible or unacceptable manner. Negative claims or publicity regarding the *TOMMY HILFIGER* or *Calvin Klein* brands, stores or products, including stores operated by business partners and licensed products, or regarding celebrities, athletes and others who promote our products, as well as our treatment of employees and customers, particularly when made on social media, which has the potential to rapidly accelerate the timing and reach of negative publicity, also could adversely affect the reputation of the brands and sales even if the subject of such publicity is unverified or inaccurate and we seek to correct it.

***Increased regulation and stakeholder scrutiny regarding our environmental, social and governance (“ESG”) matters, could result in additional costs or risks and adversely impact our reputation.***

There is an increased focus, including by regulators, legislators, consumers, investors, our associates and other stakeholders on ESG matters, including increased pressure to expand our disclosures, ensure labor and other sustainability aspects within our supply chain, make and establish corporate responsibility goals and take actions to meet them, which could expose us to regulatory, legal, market, operational and execution costs or risks. We seek to comply with all applicable laws, rules and regulations and also have established focus areas and targets under our *Fashion Forward* corporate responsibility strategy in respect to many ESG measures, including in regards to diversity, greenhouse gas emissions, water usage and usage of more sustainable materials and packaging. There can be no assurance that we can achieve compliance without significant impact on our business or results of operations or that our stakeholders will agree with our strategy or that we will be successful in achieving our goals. This also could adversely affect our reputation and the reputation of our brands, sales and demand for our products, retention of our associates, willingness of our suppliers to do business with us, and investor interest in our securities.

***Our business is heavily dependent on the ability and desire of consumers to travel and shop.***

Reduced consumer traffic and purchasing, whether in our own retail stores, the stores of our wholesale customers or in our franchisees’ stores, could have a material adverse effect on our financial condition, results of operations and cash flows. Reductions could result from economic conditions, fuel shortages, increased fuel prices, travel restrictions, travel concerns and other circumstances, including adverse weather conditions, natural disasters, terrorist attacks or the perceived threat of terrorist attacks. Disease epidemics and other health-related concerns, such as the COVID-19 pandemic, also could result in (and, in the case of the pandemic, has resulted in) closed stores, reduced consumer traffic and purchasing, as consumers become ill or limit or cease shopping in order to avoid exposure, or governments impose mandatory business closures, travel restrictions, vaccine mandates or the like to prevent the spread of disease. War, such as the current war in Ukraine, or the perceived threat of war, also could result in (and, in the case of the war in Ukraine, has resulted in) closed stores (both those operated by us and by our business partners), and reduced consumer traffic and purchasing. Additionally, political or civil unrest and demonstrations also could affect consumer traffic and purchasing.

Our U.S. retail store operations are a material contributor to our revenue. The majority of our United States stores are located away from major residential centers or near vacation destinations, making travel a critical factor in their success. These retail businesses historically also have had a significant portion of their revenue attributable to sales to international tourists and, as such, have been negatively affected by the decrease in international tourists coming to the United States as a result of the pandemic, resurgences of infections, and pandemic-related travel restrictions. In addition to the factors discussed above,

international tourism to the United States could be reduced, as could the extent to which international tourists shop at our stores, during times of a strengthening United States dollar, particularly against the euro, the Brazilian real, the Canadian dollar, the Mexican peso, the Korean won and the Chinese yuan renminbi. Reductions in international tourist traffic and spending have had, and in the future may have, a material adverse effect on our financial condition and results of operations.

Other factors that could affect the success of our stores include:

- the location of the store or mall, including the location of a particular store within the mall;
- the other tenants occupying space at the mall;
- increased competition in areas where the stores are located;
- the amount of advertising and promotional dollars spent on attracting consumers to the store or mall;
- the changing patterns of consumer shopping behavior;
- increased competition from online retailers; and
- the diversion of sales from our retail stores to our digital commerce sites.

***Our inability to execute our digital commerce strategy could materially adversely affect the reputation of our brands and our revenue and our operating results may be harmed.***

The revenue of our digital commerce businesses, which historically has not represented a significant portion of our total revenue, experienced strong growth during 2020 and 2021, both with respect to our direct-to-consumer businesses and the wholesale business (*i.e.*, sales to pure play and digital commerce businesses of traditional retailers), and is now approximately 20% of our total revenue. The success of our digital commerce businesses depends, in part, on third parties and factors over which we have limited control, including changing consumer preferences and buying trends relating to digital commerce usage and promotional or other advertising initiatives employed by our wholesale customers or other third parties on their digital commerce sites. Any failure on our part, or on the part of our third party digital partners, to provide digital commerce platforms that attract consumers, build our brands and result in repeat consumer purchases could result in diminished brand image, relevance and loyalty and lost revenue. Additionally, as consumers shift purchasing preferences to online channels, the failure to attract to our digital commerce channels consumers who previously made purchases in our stores and those operated by our wholesale partners and franchisees, will adversely affect our financial condition and results of operations.

Our operation of digital commerce sites pose risks and uncertainties including:

- changes in required technology interfaces;
- website downtime and other technical failures;
- costs and technical issues from website software upgrades;
- data and system security;
- computer viruses; and
- changes in applicable laws and regulations.

Keeping current with technology, competitive trends, security and the like may increase our costs and may not succeed in increasing sales or attracting consumers. Our failure to respond successfully to these risks and uncertainties might adversely affect the reputation of our brands and our revenue and results of operations.

The success of our digital commerce businesses depends, in part, on consumer satisfaction, including timely receipt of orders. Fulfillment of these orders requires different logistics operations than for our retail store and wholesale customer operations. We need adequate capacity, systems and operations to sustain and support the continued growth in our digital commerce businesses. If we encounter difficulties with our distribution facilities or in our relationships with the third parties who operate the facilities, or if any such facilities were to shut down or be limited in capacity for any reason, including as a result of fire or other casualty, natural disaster, systems disruption (including as a result of attacks on computer systems, such as ransomware attacks), labor shortage or interruption, including as a result of disease epidemics and health related concerns (such

as the COVID-19 pandemic), or if there is a significant increase in demand for shipping capacity (as was the case in 2021 and through the first half of 2022), we may experience (and, in the case of the pandemic, did experience) disruption or delay in distributing our products to our consumers, which could result in consumer dissatisfaction and lost sales. Additionally, in the event of any of the foregoing, we may incur (and, as a result of the pandemic, did incur) higher costs than anticipated to ensure smooth and timely operation. Any of the foregoing could have an adverse effect on the reputation of our brands and our revenue and results of operations.

***Global economic conditions, including volatility in the financial and credit markets, may adversely affect our business.***

Economic conditions in the past have adversely affected, and in the future may adversely affect, our business, our customers and licensees and their businesses, and our financing and contractual arrangements, as a result of, among other factors, the COVID-19 pandemic, current inflationary pressures globally, and the war in Ukraine and its broader macroeconomic implications. Such conditions, amongst other things, have resulted, and in the future may result, in financial difficulties leading to restructurings, bankruptcies, liquidations and other unfavorable events for our customers and licensees, may cause such customers to reduce or discontinue orders of our products and licensed products sold by our licensees, and may result in customers being unable to pay us for products they have purchased from us and licensees being unable to pay us for royalties owed to us. Financial difficulties of customers and licensees also may affect the ability of our customers and licensees to access credit markets or lead to higher credit risk relating to receivables from customers and licensees. Our traditional wholesale customers and our licensees experienced significant business disruptions as a result of the pandemic and the resurgences of infections, with several of our wholesale customers in North America filing for bankruptcy in 2020, which has had an adverse impact on our results of operations.

Volatility in the financial and credit markets, including the current volatility, due, in part, to inflationary pressures globally and the war in Ukraine and its broader macroeconomic implications, could also make it more difficult or expensive for us to obtain financing or refinance existing debt when the need arises, including upon maturity, which for our 3 5/8% senior notes is July 2024 and for our 4 5/8% senior notes is 2025, or on terms that would be acceptable to us.

***We primarily use foreign suppliers for our products and raw materials, which poses risks to our business operations.***

The majority of our apparel, footwear and accessories are produced by and purchased or procured from independent manufacturers in approximately 40 countries, with most being located in Asia. Although no single supplier or country is or is expected to become critical to our production needs, any of the following could materially and adversely affect our ability to produce or deliver our products and, as a result, have a material adverse effect on our business, financial condition and results of operations:

- political or labor instability or military conflict involving any of the countries in which we, our contractors, or our suppliers operate, which could cause a delay in the production or transportation of our products and raw materials to us and an increase in production and transportation costs;
- heightened terrorism security concerns, which could subject imported or exported goods to additional, more frequent or more thorough inspections, leading to delays in deliveries or impoundments of goods for extended periods or could result in decreased scrutiny by customs officials for counterfeit goods, leading to lost sales, increased costs for our anti-counterfeiting measures and damage to the reputation of our brands;
- limitations on our ability to use raw materials or goods produced in a country that is a major provider due to political, human rights, labor, environmental, animal cruelty or other concerns;
- a significant decrease in factory and shipping capacity or a significant increase in demand for such capacity;
- a significant increase in wage, freight, shipping and other logistics costs, including as a result of disruption at ports of entry, which could result (and in the case of the pandemic, did result in) increased freight and other logistics costs;
- natural disasters, such as floods, earthquakes, wildfires and droughts, the frequency of some of which may be increasing due to climate change, could result in closed factories and scarcity of raw materials (particularly cotton);



- disease epidemics and health related concerns, such as the COVID-19 pandemic, which could result in (and in the case of the pandemic, did result in certain of the following) a significant decrease in factory and shipping capacity, closed factories, reduced workforces, scarcity of raw materials and scrutiny or embargoing of goods produced in infected areas;
- the migration and development of manufacturers, which could affect where our products are or are planned to be produced;
- the adoption of regulations, quotas and safeguards relating to imports and our ability to adjust timely to changes in trade regulations, which, among other things, could limit our ability to produce products in cost-effective countries that have the labor and expertise needed;
- the implementation of new or increased duties, tariffs, taxes and other charges on imports; and
- the regulation or prohibition of the transaction of business with specific individuals or entities and their affiliates or goods manufactured in certain regions, such as the listing of a person or entity as a SDN (Specially Designated Nationals and Blocked Persons) by the United States Department of the Treasury's Office of Foreign Assets Control and the issuance of WROs by the CBP.

We continuously look for alternative sourcing options, but we may not be able to shift timely, if at all, production from a country when new or increased duties, tariffs, taxes or other charges are imposed. In addition, higher costs in sourcing from other countries, including because others in the industry are looking to move production for the same reason, may make the move price-prohibitive. We may not be able to pass the entire cost increase resulting from tariffs, duties, taxes or other expenses onto consumers or could choose not to. Any increase in prices to consumers could have an adverse impact on our direct sales to consumers, as well as sales by our wholesale customers and our licensees. Any adverse impact on such sales or increase in our cost of goods sold could have a material adverse effect on our business and results of operations.

Various actions by the United States Government (including SDN designations, the enactment of the Uyghur Forced Labor Prevention Act and issuances of WROs), have prohibited or limited the business that companies like us and, in many cases, our business partners, can conduct with numerous individuals, companies and entities who operate in Xinjiang Province, China, as well as the direct or indirect production of goods and the use of cotton grown in Xinjiang Province. These and other actions have affected and could continue to affect the sourcing and availability of raw materials used by our suppliers in the manufacturing of certain of our products. These and related matters also have been subject to significant scrutiny and contention in China, the United States and elsewhere, resulting in criticism against multinational companies, including us. As a consequence, these matters (and matters like them) have the potential to affect our revenue and the reputation of our brands and us. In addition, while we make efforts to confirm that SDNs, people and materials covered by WROs, and other sanctioned entities, people and materials are not present in our supply chain, we could be subject to penalties, fines or sanctions if any of the vendors from which we purchase goods is found to have dealings, directly or indirectly, with SDNs or other sanctioned persons or in banned materials.

***If our suppliers, licensees, or other business partners, or the suppliers used by our licensees, fail to use legal and ethical business practices, our business could suffer.***

We require our suppliers, licensees and other business partners, and the suppliers used by our licensees, to operate in compliance with applicable laws, rules and regulations regarding working conditions, employment practices and environmental compliance. Additionally, we impose upon our business partners operating guidelines that require additional obligations in those areas in order to promote ethical business practices. We audit, or have third parties audit, the operations of these independent parties to determine compliance. We were a member of the Accord on Fire and Building Safety in Bangladesh and are a member of its successors, as well as outgrowth organizations such as the International Accord for Health and Safety in the Textile and Garment Industry, the mission of each of which is to improve workplace, fire and building safety in factories in major textile and apparel producing countries. We also collaborate with factories, suppliers, industry participants and other stakeholders to improve the lives of the workers and others in our sourcing communities. However, we do not control our business partners, or the suppliers used by our licensees, including with respect to their labor, manufacturing and other business practices. Our industry has experienced and we have been impacted by, increased regulation and enforcement, in particular in regards to concerns around forced labor in supply chains. These trends regarding regulation and enforcement are expected to continue, especially through action in the countries where we sell most of our products.

If any of these suppliers or business partners violates labor, environmental, building and fire safety, or other laws or implements labor, manufacturing or other business practices that are generally regarded as unethical, the shipment of finished products to us or our customers could be interrupted, orders could be canceled and relationships could be terminated. Further, we could be prohibited from importing goods by governmental authorities. In addition, we could be the focus of adverse publicity and our reputation and the reputation of our brands could be damaged. Any of these events could have a material adverse effect on our revenue and, consequently, our results of operations.

***We are dependent on third parties to source and manufacture our products and any disruption in our relationships with these parties or in their businesses may materially adversely affect our business.***

We rely upon independent third parties for the manufacturing of the vast majority of our apparel, footwear and accessories. A manufacturer's failure to ship products to us in a timely manner, as well as logistics disruptions, as occurred in the 2020 through 2022 period as a result of the COVID-19 pandemic, or for manufacturers to meet required quality standards could cause us to miss the delivery date requirements of our customers for those products. As a result, customers could cancel their orders, refuse to accept deliveries or demand reduced prices. Any of these actions taken by our customers could have a material adverse effect on our revenue and, consequently, our results of operations.

***Our business is susceptible to risks associated with climate change and an increased focus by stakeholders on climate change, which may adversely affect our business and results of operations.***

Our business is susceptible to risks associated with climate change, including potential disruptions to our supply chain and impacts on the availability and costs of raw materials. Increased frequency and severity of adverse weather events (such as storms, floods and droughts) due to climate change could also cause increased incidence of disruption to the production and distribution of our products, an adverse impact on consumer demand and spending, and/or more frequent store closures and/or lost sales as customers prioritize basic needs. In addition, certain of our wholesale customers have begun to establish sourcing requirements related to sustainability. As a result, we have received requests for sustainability related information about our products and, in some cases, customers have required that certain of our products include sustainable materials or packaging, which may result in higher raw material and production costs. Our inability to comply with these and other sustainability requirements in the future could adversely affect sales of and demand for our products. Further, certain online sellers of our products have begun to identify to consumers and help consumers limit purchases to product the sellers identify as being more sustainable. Our failure to offer products that meet these sustainability standards could result in decreased demand for our products and lost sales.

***We are dependent on a limited number of distribution facilities. If one becomes inoperable, our business, financial condition and operating results could be negatively impacted.***

We operate a limited number of distribution facilities and also engage independently operated distribution facilities around the world to warehouse and ship products to our customers and our retail stores, as well as perform related logistics services. Our ability to meet the needs of our wholesale customers and of our retail stores depends on the proper operation of our primary facilities. If any of our primary facilities were to shut down or otherwise become inoperable or inaccessible, including as a result of disease epidemics and other health-related concerns, such as the COVID-19 pandemic, we could have a substantial loss of inventory or disruptions of deliveries to our customers and our stores, incur significantly higher costs or experience longer lead times associated with the distribution of our products during the time it takes to reopen or replace the facility. This could materially and adversely affect our business, financial condition and operating results.

***A portion of our revenue is dependent on royalties and licensing.***

The operating profit associated with our royalty, advertising and other revenue is significant because the operating expenses directly associated with administering and monitoring an individual licensing or similar agreement are minimal. Therefore, the loss of a significant licensee, whether due to the termination or expiration of the relationship, the cessation of the licensee's operations or otherwise (including as a result of financial difficulties of the licensee), without an equivalent replacement, or a significant decline in our licensees' sales, for example as occurred as a result of the COVID-19 pandemic, could materially impact our profitability.

While we generally have significant control over our licensees' products and advertising, we rely on them for, among other things, operational and financial controls over their businesses. Our licensees' failure to successfully market licensed products or our inability to replace our existing licensees could materially and adversely affect our revenue both directly from

reduced royalty, advertising and other revenue received and indirectly from reduced sales of our other products. Risks are also associated with our licensees' ability to obtain capital, execute their business plans, timely deliver quality products, manage their labor relations, maintain relationships with their suppliers, manage their credit risk effectively and maintain relationships with their customers.

***Our licensing business makes us susceptible to the actions of third parties over whom we have limited control.***

We rely on our licensees to preserve the value of our brands. Although we attempt to protect our brands through, among other things, approval rights over design, production quality, packaging, merchandising, distribution, advertising and promotion of our products, we cannot assure you that we can control our licensees' use of our brands. The misuse of our brands by a licensee could have a material adverse effect on our business, financial condition and results of operations.

***We face intense competition in the apparel industry.***

Competition is intense in the apparel industry. We compete with numerous domestic and foreign designers, brand owners, manufacturers and retailers of apparel, accessories and footwear, some of which have greater resources than we do. We also face increased competition from online retailers in the digital channel, which is characterized by low barriers to entry. In addition, in certain instances, we compete directly with our wholesale customers, as they also sell their own private label products in their stores and online. We compete within the apparel industry primarily on the basis of:

- anticipating and responding to changing consumer tastes, demands and shopping preferences in a timely manner and developing distinctive, attractive, quality products;
- maintaining favorable brand recognition and relevance, including through digital brand engagement and online and social media presence;
- appropriately pricing products and creating an acceptable value proposition for customers, including increasing prices to mitigate inflationary pressures (as we did in certain regions and for certain product categories during 2022) while minimizing the risks of dampening consumer demand;
- providing strong and effective marketing support;
- ensuring product availability and optimizing supply chain efficiencies with third party suppliers and retailers; and
- obtaining sufficient retail floor space and effective presentation of our products at retail locations, on digital commerce sites operated by our department store customers and pure play digital commerce retailers, and on our digital commerce sites.

The failure to compete effectively or to keep pace with rapidly changing consumer preferences and technology and product trends could have a material adverse effect on our business, financial condition and results of operations.

***Our profitability may decline as a result of increasing pressure on margins.***

The apparel industry, particularly in the United States, is subject to significant pricing pressure caused by many factors, including intense competition, consolidation in the retail industry, pressure from retailers to reduce the costs of products, retailer demands for allowances, incentives and other forms of economic support, and changes in consumer demand including, for example, as had occurred as a result of the COVID-19 pandemic. These factors may cause us to reduce our sales prices to retailers and consumers, which could cause our profitability to decline if we are unable to appropriately manage inventory levels or offset price reductions with sufficient reductions in product costs or operating expenses.

Continued volatility in the availability and prices for commodities and raw materials we use in our products (such as cotton) and inflationary pressures, including the increased air freight costs we experienced beginning in the second half of 2021 and into 2022 and the increased costs of labor, raw materials and ocean freight we experienced in 2022, have resulted, and are expected to continue to result, particularly in the first half of 2023, in increased pricing pressures and, in turn, pressure on our margins. We implemented price increases in certain regions and for certain product categories during 2022 to mitigate the higher costs. However, in the future, we may not be able to implement price increases that fully mitigate the impact of higher costs and/or any such price increases could have an adverse impact on consumer demand for our products. As well, consumer spending has been, and may continue to be, negatively impacted by reduced earnings power resulting from the current

inflationary pressures, which has resulted, and may continue to result, lower sales of our products, increased inventories, order cancellations, higher discounts, pricing pressure, higher inventory levels industry-wide, and lower gross margins.

***If we are unable to manage our inventory effectively and accurately forecast demand for our products, our results of operations could be materially adversely affected.***

We have made and continue to make investments in our supply chain management systems and processes that enable us to respond more rapidly to changes in sales trends and consumer demands and enhance our ability to manage inventory. However, there can be no assurance that we will be able to anticipate and respond successfully to changing consumer tastes and style trends or economic conditions and, as a result, we may not be able to manage inventory levels to meet our future order requirements. If we fail to accurately forecast consumer demand, or our supply chain and logistics partners are unable to adjust to changes in consumer demand for our products, including, for example, as had occurred as a result of the COVID-19 pandemic in 2020, we may at times experience excess inventory levels or a shortage of product required to meet demand. Inventory levels in excess of consumer demand have resulted in, and may in the future result in, inventory write-downs and the sale of excess inventory at heavily discounted prices, which could have a material adverse effect on our profitability and the reputation of our brands. If we underestimate consumer demand for our products, we may not have sufficient inventories of product to meet consumer requirements in a timely manner, which could result in lost revenues, as well as damage to our reputation and relationships.

***The loss of members of our executive management and other key employees could have a material adverse effect on our business.***

We depend on the services and management experience of our executive officers, who have substantial experience and expertise in our business. We also depend on other key executives in various areas of our businesses and operations. Competition for qualified personnel in the apparel industry is intense and competitors may use aggressive tactics to recruit our key employees. The loss of services of one or more of these individuals or the inability to effectively identify a suitable successor for them could have a material adverse effect on us.

***We may not be successful in the take-back of licensed businesses.***

As part of our PVH+ Plan strategy, we are planning to, and in the future may pursue further opportunities to, increase direct management of our *Calvin Klein* and *TOMMY HILFINGER* brands through take-backs of licensed businesses. For example, we recently announced our intention to bring in-house and directly operate most of the *Calvin Klein* and *TOMMY HILFINGER* product categories currently licensed in the United States and Canada to G-III as the license agreements expire beginning at the end of 2023 through 2027.

The integration of previously licensed businesses may be complex, costly and time-consuming. We may have difficulty, or may not succeed in, integrating the businesses into our operations, hiring qualified key employees needed to operate the businesses, or otherwise managing the previously licensed businesses. Furthermore, we may incur higher than expected costs to bring previously licensed businesses in-house and/or to operate these businesses. As such, license take-backs may not achieve the intended benefits to our overall growth strategy, our brands and results of operations, and our overall profitability may decline to the extent we are unable to operate these businesses at the same level of earnings that we realized when they were licensed businesses.

***Acquisitions may not be successful in achieving intended benefits, cost savings and synergies.***

Acquisitions historically have been a part of our growth. Prior to completing any acquisition, our management team identifies expected synergies, cost savings and growth opportunities but, due to legal and business limitations, we may not have access to all necessary information. The integration process may be complex, costly and time-consuming. The potential difficulties of integrating the operations of an acquired business and realizing our expectations for an acquisition, including the benefits that may be realized, include, among other things:

- failure to implement our business plan for the combined business;
- delays or difficulties in completing the integration of acquired companies or assets;
- higher than expected costs, lower than expected cost savings or a need to allocate resources to manage unexpected operating difficulties;

- unanticipated issues in integrating systems and operations;
- diversion of the attention and resources of management;
- assumption of liabilities not identified in due diligence;
- the impact on our or an acquired business' internal controls and compliance with the requirements under applicable regulation; and
- other unanticipated issues, expenses and liabilities.

We have completed acquisitions that have not performed initially as well as expected or have not fully achieved expected benefits and we cannot assure you that any acquisition will not have a material adverse impact on our financial condition and results of operations.

## **Financial Risks**

### ***Our level of debt could impair our financial condition and ability to operate.***

We had outstanding as of January 29, 2023 an aggregate principal amount of \$2.301 billion of indebtedness, of which \$100 million of unsecured debentures are due in 2023, €525 million of euro-denominated senior unsecured notes are due in 2024 and \$500 million of senior unsecured notes are due in 2025. Our level of debt could have important consequences to investors, including:

- requiring a substantial portion of our cash flows from operations be used for the payment of principal and interest on our debt, thereby reducing the funds available to us for our operations or other capital needs;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate because our available cash flow after paying principal and interest on our debt may not be sufficient to make the capital and other expenditures necessary to address these changes;
- increasing our vulnerability to general adverse economic and industry conditions because, during periods in which we experience lower earnings and cash flows, such as has occurred during the COVID-19 pandemic, we will be required to devote a proportionally greater amount of our cash flow to paying principal and interest on our debt;
- limiting our ability to obtain additional financing in the future to fund working capital, capital expenditures, acquisitions, contributions to our pension plans and general corporate requirements;
- placing us at a competitive disadvantage to other relatively less leveraged competitors that have more cash flow available to fund working capital, capital expenditures, acquisitions, share repurchases, dividend payments, contributions to pension plans and general corporate requirements; and
- leaving us vulnerable to increases in interest rates with respect to borrowings we make at variable interest rates, including under our senior unsecured credit facilities.

### ***Our business is exposed to foreign currency exchange rate fluctuations and control regulations.***

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. 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. Please see our Management's Discussion and Analysis of Financial Condition and Results of Operations included in Item 7 of this report for further discussion of the impacts of foreign currency on our results of operations and cash flows.

Our results of operations will be unfavorably impacted by foreign currency translation during times of a strengthening United States dollar, particularly against the euro, the Australian dollar, the Japanese yen, the Korean won, the British pound sterling, the Canadian dollar and the Chinese yuan renminbi, and favorably impacted during times of a weakening United States dollar against those currencies. Our results of operations are similarly affected by the transactional impact of foreign currency,

and 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 currently use and plan to continue to use foreign currency forward exchange contracts to mitigate the cash flow or market risks associated with these inventory transactions, but we are unable to eliminate these risks entirely.

We conduct business in countries that have laws and regulations that may restrict the ability of our foreign subsidiaries to pay dividends and remit cash to affiliated companies and, as a result, may limit our ability to utilize cash generated by certain of our foreign subsidiaries to make payments in other countries. Such restrictions could require us to redirect cash that we were otherwise planning to use elsewhere in our business, which may have an adverse impact on our business.

***Our ability to maintain compliance with the financial covenant under our senior unsecured credit facilities may be adversely affected by future economic conditions.***

We are required under the terms of our senior unsecured credit facilities to comply with a maximum net leverage ratio. A prolonged disruption to our business, such as we experienced in 2020 and into 2021, as a result of the COVID-19 pandemic, may impact our ability to comply with this covenant in the future. Non-compliance with this covenant would constitute an event of default under the terms of our senior unsecured credit facilities, which may result in an acceleration of payment to the lenders, which in turn could trigger defaults under our other debt facilities.

Our inability to comply with the maximum net leverage ratio may require us to seek relief in the form of a covenant waiver, as we did in June 2020. Covenant waivers may lead to fees associated with obtaining the waiver, increased costs, increased interest rates, additional restrictive covenants and other lender protections that would be applicable to us under these facilities, and such increased costs, restrictions and modifications may be significant. In addition, our ability to provide additional lender protections under these facilities if necessary, including the granting of security interests in collateral, will be limited by the restrictions under our other debt facilities. There can be no assurance that we would be able to obtain future waivers in a timely manner, on terms acceptable to us, or at all. If we were not able to obtain a covenant waiver in the future under our senior unsecured credit facilities, there can be no assurance that we would be able to raise sufficient debt or equity capital, or divest assets, to refinance or repay such facilities.

***Adverse decisions of tax authorities or changes in tax treaties, laws, rules or interpretations could have a material adverse effect on our results of operations and cash flow.***

We have direct operations in many countries and the applicable tax rates vary by jurisdiction. The tax laws and regulations in the countries where we operate may be subject to change. Moreover, there may be changes from time to time in interpretation and enforcement of tax law. As a result, we may pay additional taxes if tax rates increase or if tax laws, regulations or treaties in the jurisdictions where we operate are modified by the authorities in an adverse manner.

In addition, various national and local taxing authorities periodically examine us and our subsidiaries. The resolution of an examination or audit may result in us paying more than the amount that we may have reserved for a particular tax matter, which could have a material adverse effect on our cash flows, business, financial condition and results of operations for any affected reporting period.

We and our subsidiaries are engaged in a number of intercompany transactions. Although we believe that these transactions reflect arm's length terms and that proper transfer pricing documentation is in place, which should be respected for tax purposes, the transfer prices and conditions may be scrutinized by local tax authorities, which could result in additional tax liabilities.

***If we are unable to fully utilize our deferred tax assets, our profitability could be reduced.***

Our deferred income tax assets are valuable to us. These assets include tax loss and foreign tax credit carryforwards in various jurisdictions. Realization of deferred tax assets is based on a number of factors, including whether there will be adequate levels of taxable income in future periods to offset the tax loss and foreign tax credit carryforwards in jurisdictions where such assets have arisen. Valuation allowances are recorded in order to reduce the deferred tax assets to the amount expected to be realized in the future. In assessing the adequacy of our valuation allowances, we consider various factors including reversal of deferred tax liabilities, forecasted future taxable income and potential tax planning strategies. These factors could reduce the value of the deferred tax assets, which could have a material effect on our profitability.

***Volatility in securities markets, interest rates and other economic factors could increase substantially our defined benefit pension costs and liabilities.***

We have significant obligations under our defined benefit pension plans. The funded status of our pension plans is dependent on many factors, including returns on invested plan assets and the discount rate used to measure pension obligations. Unfavorable returns on plan assets, a lower discount rate or unfavorable changes in the applicable laws or regulations could materially change the timing and amount of pension funding requirements, which could reduce cash available for our business.

Our operating performance also may be significantly impacted by the amount of expense recorded for our pension plans. Pension expense 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 pension expense, generally in the fourth quarter of the year. These gains and losses can be significant and can create volatility in our operating results. As a result of the recent volatility in the financial markets due, among other reasons, to the impact of the COVID-19 pandemic, the war in Ukraine and its broader macroeconomic implications and inflationary pressures, there continues to be significant uncertainty with respect to the actuarial gain or loss we may record on our retirement plans in 2023. We may incur 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.

***Our balance sheet includes a significant amount of intangible assets and goodwill, as well as long-lived assets in our retail stores. A decline in the estimated fair value of an intangible asset or of a reporting unit or in the current and projected cash flows in our retail stores could result in impairment charges recorded in our operating results, which could be material.***

Goodwill and other indefinite-lived intangible assets are tested for impairment annually 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. Long-lived assets, such as operating lease right-of-use assets and property, plant and equipment in our retail stores and intangible assets with finite lives, are tested for impairment if an event occurs or circumstances change that would indicate the carrying amount may not be recoverable. Please see the section entitled “Critical Accounting Policies and Estimates” within Management’s Discussion and Analysis of Financial Condition and Results of Operations included in Item 7 of this report for further discussion of our impairment testing. If any of our goodwill, other indefinite-lived intangible assets or long-lived assets were determined to be impaired, the asset would be written down and an impairment charge would be recognized as a noncash expense in our operating results.

Adverse changes in future market conditions, a shift in consumer buying trends or weaker operating results compared to our expectations, including, for example, as occurred in 2020 as a result of the COVID-19 pandemic and as a result of discount rates in 2022, may impact our projected cash flows and estimates of weighted average cost of capital, which could result in a material impairment charge if we are unable to recover the carrying value of our goodwill, other indefinite-lived intangible assets and long-lived assets.

We determined in the first quarter of 2020 that the significant adverse impacts of the COVID-19 pandemic on our business, including an unprecedented material decline in revenue and earnings and an extended decline in our stock price and associated market capitalization, was a triggering event that required us to perform impairment testing of our goodwill and indefinite-lived intangible assets. The interim testing resulted in us recording \$926 million of noncash impairment charges in the first quarter of 2020. We also determined that certain finite-lived intangible assets, which had a relatively short remaining useful life, were not recoverable and, therefore, impaired due to the adverse impacts of the pandemic on the current and projected performance of the underlying businesses. Additionally, in the third quarter of 2022, in conjunction with our 2022 annual goodwill impairment test, we recorded \$417 million of noncash impairment charges. The impairment was non-

operational and driven by a significant increase in discount rates, as a result of then-current economic conditions. As of January 29, 2023, we had \$2.359 billion of goodwill and \$3.250 billion of other intangible assets on our balance sheet, which together represented 48% of our total assets.

We also recorded \$75 million of noncash impairment charges in 2020 related to operating lease right-of-use assets and property, plant and equipment in our retail stores, resulting from the adverse impacts of the COVID-19 pandemic on the financial performance of certain of our retail stores and the shift in consumer buying trends from brick and mortar retail stores to digital channels.

### **Legal and Regulatory Risks**

#### ***We may be unable to protect our trademarks and other intellectual property rights.***

Our trademarks and other intellectual property rights are important to our success and our competitive position. We are susceptible to others imitating our products and infringing on our intellectual property rights, especially with respect to the *TOMMY HILFINGER* and *Calvin Klein* brands, as they enjoy significant worldwide consumer recognition and the generally premium pricing of *TOMMY HILFINGER* and *Calvin Klein* brand products creates additional incentive for counterfeiters and infringers. Imitation or counterfeiting of our products or infringement of our intellectual property rights could diminish the value of our brands or otherwise adversely affect our revenue. We cannot assure you that the actions we take to establish and protect our trademarks and other intellectual property rights will be adequate to prevent imitation of our products by others. We cannot assure you that other third parties will not seek to invalidate our trademarks or block sales of our products as a violation of their own trademarks and intellectual property rights. In addition, we cannot assure you that others will not assert rights in, or ownership of, trademarks and other intellectual property rights of ours or in marks that are similar to ours or marks that we license or market or that we will be able to successfully resolve these types of conflicts to our satisfaction. In some cases, there may be trademark owners who have prior rights to our marks because the laws of certain foreign countries may not protect intellectual property rights to the same extent as do the laws of the United States. In other cases, there may be holders who have prior rights to similar trademarks. We have in the past been and currently are involved both domestically and internationally in proceedings relating to a company's claim of prior rights to some of our trademarks or marks similar to some of our brands.

#### ***Provisions in our certificate of incorporation and our by-laws and Delaware General Corporation Law could make it more difficult to acquire us and may reduce the market price of our common stock.***

Our certificate of incorporation and by-laws contain provisions requiring stockholders who seek to introduce proposals at a stockholders meeting or nominate a person to become a director to provide us with advance notice and certain information, as well as meet certain ownership criteria; permitting the PVH Board of Directors to fill vacancies on the Board; and authorizing the Board of Directors to issue shares of preferred stock without approval of our stockholders. These provisions could have the effect of deterring changes of control.

In addition, Section 203 of the Delaware General Corporation Law imposes restrictions on mergers and other business combinations between us and any holder of 15% or more of our common stock. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the Board of Directors.

### **Information Technology and Data Privacy Risks**

#### ***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.***

Our ability to manage and operate our business effectively depends significantly on information technology systems, including systems operated by third parties and us and systems that communicate with third parties, including website and mobile applications through which we communicate with our consumers and our employees. We process, transmit, store and maintain information about consumers, employees and other individuals in the ordinary course of business. This includes personally identifiable information protected under applicable laws and the collection and processing of customers' credit and debit card numbers and reliance on systems maintained by third parties with whom we contract to provide payment processing. The failure of any system to operate effectively or disruption in these systems, which may occur as a result of circumstances beyond our control including fire, natural disasters, power outages and systems disruptions, could require significant remediation costs and adversely impact our operations.



We utilize a risk-based, multi-layered information security approach based on the NIST (National Institute of Standards and Technology) Cybersecurity Framework to identify and address cybersecurity risks. We take measures to protect data and ensure those who use our systems are aware of the importance of protecting our systems and data. These include implementation of security standards, network system security tools, associate training programs and security breach procedures. To measure the effectiveness of these, we perform phishing exercises, tabletop breach exercises and penetration tests. Our training provided to all associates who have access to our systems includes regular phishing tests and online courses. Two courses were conducted in 2022, as were 11 tests. We have an escalating schedule of discipline for test failures, which includes additional training and would ultimately lead to loss of access rights. Certain trainings also are administered to the members of the Board of Directors, one of which annually is typically mandatory. In addition, to measure and assess compliance, our information security approach is subject to an annual assessment of its maturity within the NIST Cybersecurity Framework by an independent third party consultant.

We generally require third party providers who have access to our systems or receive personally identifiable information or other confidential data to take measures to protect data but have no control over their efforts and are limited in our ability to assess their systems and processes. In cases where third party service organizations process data that affects our financial statements, System and Organization Controls (SOC) 1 reports are obtained and evaluated annually. While we invest, and believe our service providers invest, considerable resources in protecting systems and information, including through training of the people who have access to systems and information, we all are still subject to security events, including but not limited to cybercrimes and cybersecurity attacks, such as those perpetrated by sophisticated and well-resourced bad actors attempting to disrupt operations or access or steal data. Security events may not be detected for an extended period of time, which could compound the scope and extent of the damages and problems. Such security events could disrupt our business, severely damage our reputation and our relationship with consumers, and expose us to risks of litigation and liability. While we maintain insurance coverages, including cybersecurity insurance, it may be unavailable or insufficient to cover all losses or all types of claims. Although we generally require that third party providers with access to our systems and confidential information have insurance coverage for any losses that we may experience as a result of the work they do, the amount that we are able to recover may not fully compensate us for any loss we experience.

We regularly implement new systems and hardware and are currently undertaking a major multi-year SAP S/4 implementation to upgrade our platforms and systems worldwide. The implementation of new software and hardware involves risks and uncertainties that could cause disruptions, delays or deficiencies in the design, implementation or application of these systems including:

- adversely impacting our operations;
- increased costs;
- disruptions in our ability to effectively source, sell or ship our products;
- delays in collecting payments from our customers; and
- adversely affecting our ability to timely report our financial results.

Our business, results of operations and financial condition could be materially adversely affected as a result of these implementations. In addition, intended improvements may not be realized. Our business partners and service providers face the same risks, which could also adversely impact our business and operations.

***We are subject to data privacy and security laws and regulations globally, the number and complexity of which are increasing. We may be the subject of enforcement or other legal actions despite our compliance efforts.***

We collect, use, store, and otherwise process or rely upon access to data, including personally identifiable information, of consumers, employees, and other individuals in the daily conduct of our business. There have been significant enactments and developments in the area of data privacy and cybersecurity laws and regulations, such as the GDPR in the European Union, the CCPA/CPRA in California, PIPL in China and LGPD in Brazil. These laws and regulations have caused and could continue to cause us to change the way we operate, including in a less efficient manner, in order to comply with these laws. We have a global data privacy program and, as discussed above, have guidelines and a training program to ensure our associates understand the laws and how to collect, use and protect our confidential data (including personally identifiable information). However, our compliance efforts are not an assurance that we will not be the subject of regulatory or other legal actions. We could expend significant management and associate time and incur significant cost investigating and defending ourselves

against the claims in any such matter, which matters also could result in us being the subject of significant fines, judgments or settlements. In addition, any such claim could give rise to significant reputational damages, whether or not we ultimately are successful in defending ourselves.

#### Item 1B. Unresolved Staff Comments

None.

#### Item 2. Properties

The general location, use, ownership status and approximate size of the principal properties that we occupied as of January 29, 2023 are set forth below:

Location	Use	Ownership Status	Approximate Area in Square Feet
New York, New York	Corporate and Tommy Hilfiger administrative offices and showrooms	Leased	220,000
New York, New York	Calvin Klein and Heritage Brands administrative offices and showrooms	Leased	474,000
Bridgewater, New Jersey	Corporate and retail administrative offices	Leased	239,000
Banksmeadow, Australia	Tommy Hilfiger, Calvin Klein and Heritage Brands administrative offices, showrooms, warehouse and distribution center	Leased	243,000
Amsterdam, The Netherlands	Tommy Hilfiger and Calvin Klein administrative offices and showrooms	Leased	487,000
Venlo/Oud Gastel/Sevenum, The Netherlands	Warehouse and distribution centers	Leased	2,653,000
McDonough, Georgia	Warehouse and distribution center	Leased	851,000
Palmetto, Georgia	Warehouse and distribution center	Leased	983,000
Jonesville, North Carolina	Warehouse and distribution center	Owned	778,000
Hong Kong SAR, China	Corporate, Tommy Hilfiger and Calvin Klein administrative offices	Leased	108,000

As of January 29, 2023, we leased certain other administrative offices, showrooms and warehouse and distribution centers in various domestic and international locations. We also leased and operated as of January 29, 2023, approximately 1,500 retail locations in the United States, Canada, Europe, Asia-Pacific and Brazil.

Information with respect to maturities of the Company's lease liabilities in which we are a lessee is included in Note 16, "Leases," in the Notes to Consolidated Financial Statements included in Item 8 of this report.

#### Item 3. Legal Proceedings

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

#### Item 4. Mine Safety Disclosures

Not applicable.

## PART II

### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is traded on the New York Stock Exchange under the symbol "PVH." Certain information with respect to the dividends declared on our common stock appear in the Consolidated Statements of Changes in Stockholders' Equity and Redeemable Non-Controlling Interest included in Item 8 of this report. Please see Note 8, "Debt," in the Notes to Consolidated Financial Statements included in Item 8 of this report for a description of the restrictions to our paying dividends on our common stock. As of March 10, 2023, there were 495 stockholders of record of our common stock.

#### ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Shares (or Units) Purchased <sup>(1)(2)</sup>	(b) Average Price Paid per Share (or Unit) <sup>(1)(2)</sup>	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs <sup>(1)</sup>
October 31, 2022 - November 27, 2022	388,452	\$ 56.34	387,400	\$ 874,795,801
November 28, 2022 - January 1, 2023	735,876	70.55	726,600	823,514,975
January 2, 2023 - January 29, 2023	292	75.28	—	823,514,975
Total	<u>1,124,620</u>	<u>\$ 65.65</u>	<u>1,114,000</u>	<u>\$ 823,514,975</u>

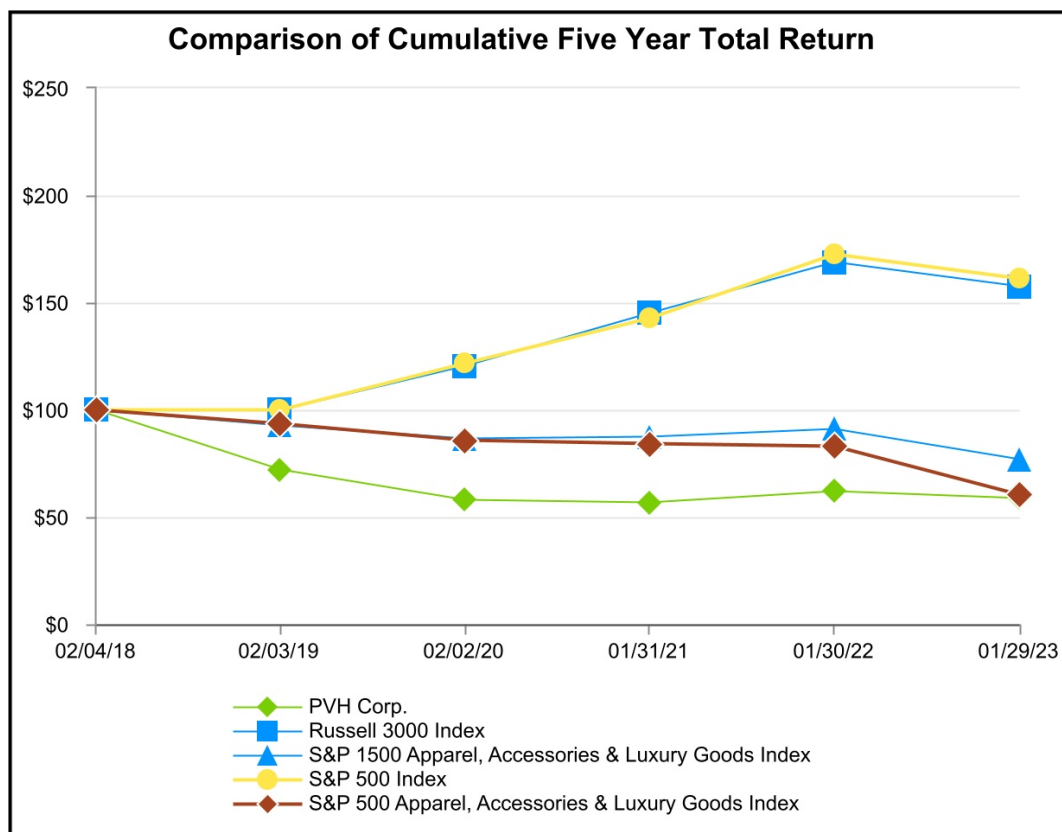
<sup>(1)</sup> The Company's Board of Directors has authorized over time since 2015 an aggregate \$3.0 billion stock repurchase program through June 3, 2026, which includes a \$1.0 billion increase in the authorization and a three year extension of the program approved by the Board of Directors on April 11, 2022. 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.

<sup>(2)</sup> 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 fourth quarter of 2022 in connection with the settlement of restricted stock units to satisfy tax withholding requirements.

The following performance graph and return to stockholders information shown below are provided pursuant to Item 201(e) of Regulation S-K promulgated under the Exchange Act. The graph and information are not deemed to be "filed" under the Exchange Act or otherwise subject to liabilities thereunder, nor are they to be deemed to be incorporated by reference in any filing under the Securities Act or Exchange Act unless we specifically incorporate them by reference.

The performance graph compares the yearly change in the cumulative total stockholder return on our common stock against the cumulative return of the S&P 500 Index, the S&P 500 Apparel, Accessories & Luxury Goods Index, the Russell 3000 Index and the S&P 1500 Apparel, Accessories & Luxury Goods Index for the five fiscal years ended January 29, 2023.

We are no longer included in the S&P 500 Index and the S&P 500 Apparel, Accessories & Luxury Goods Index and, as a result, can no longer use them as our broad equity market and industry peer group, respectively. We now are in the Russell 3000 Index and the S&P 1500 Apparel, Accessories & Luxury Goods Index and will use them as our broad equity market index and industry peer group, respectively. The performance graph below presents all the indices used for this transition year.



**Value of \$100.00 invested after 5 years:**

Our Common Stock	\$	58.58
Russell 3000 Index	\$	157.61
S&P 1500 Apparel, Accessories & Luxury Goods Index	\$	76.93
S&P 500 Index	\$	160.94
S&P 500 Apparel, Accessories & Luxury Goods Index	\$	60.32

**Item 6. [Reserved]**

Not applicable.

## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

### 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 elsewhere in this report.

We are one of the largest global apparel companies in the world, with a history going back over 140 years and have been listed on the New York Stock Exchange for over 100 years. We manage a portfolio of iconic brands, including *TOMMY HILFINGER*, *Calvin Klein*, *Warner's*, *Olga* and *True&Co.*, which are owned, *Van Heusen*, *IZOD*, *ARROW*, and *Geoffrey Beene*, which we owned through the second quarter of 2021 and now license back for certain product categories, and other owned and licensed brands. We also had a perpetual license for *Speedo* in North America and the Caribbean until April 6, 2020.

We generated revenue of \$9.0 billion, \$9.2 billion and \$7.1 billion in 2022, 2021 and 2020 respectively. Over 65% of our revenue in 2022, 2021 and 2020 was generated outside of the United States. Our global iconic brands, *TOMMY HILFINGER* and *Calvin Klein*, together generated over 90% of our revenue during each of 2022 and 2021, and over 85% of our revenue during 2020. Our business was significantly negatively impacted by the COVID-19 pandemic during 2020, resulting in an unprecedented material decline in revenue. Revenue in 2021 and 2022 continued to be negatively impacted by the pandemic and related supply chain and logistics disruptions, although to a much lesser extent than in 2020.

### *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 HILFINGER* closer to the consumer than ever before through five key drivers: (1) win with product, (2) win with consumer engagement, (3) win in 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 were impacted during 2022, which 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. Please see Note 17, "Exit Activity Costs," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

In addition, our revenue in 2022 reflected a reduction of approximately \$122 million compared to the prior year, as a result of the war in Ukraine. Our net income in 2022 also reflected a reduction of approximately \$41 million, apart from the \$43 million of net pre-tax costs discussed above, as well as the related tax impact, as compared to the prior year. Approximately 2% of our revenue in 2021 was generated in Russia, Belarus and Ukraine.

The war also has led to, and may lead to further, broader macroeconomic implications, including the weakening of the euro against the United States dollar for a significant portion of 2022, increases in fuel prices and volatility in the financial markets, as well as a decline in consumer spending. There is significant 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 in 2023.

### ***Inflationary pressures***

We believe inflationary pressures have negatively impacted our revenue and earnings in 2022, including (i) increased costs of labor, raw materials and freight and (ii) beginning late in the second quarter of 2022, a slowdown in consumer demand for our products. We implemented price increases in certain regions and for certain product categories during 2022 to mitigate the higher costs. However, the slowdown in consumer demand has also resulted in an increased promotional environment 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 expect inflationary pressures to continue to negatively impact our revenue and earnings into 2023.

### ***COVID-19 Pandemic Update***

The COVID-19 pandemic has had a significant impact on our business, results of operations, financial condition and cash flows from operations. We currently do not expect the pandemic to have a significant impact on us in 2023.

- Virtually all of our stores were temporarily closed for varying periods of time throughout the first quarter and into the second quarter of 2020. Most stores reopened in June 2020 but operated at significantly reduced capacity. Our stores in Europe and North America continued to face significant pressure throughout 2020 as a result of the pandemic, with the majority of our stores in Europe and Canada closed during the fourth quarter.
- Our stores continued to be impacted during 2021 by the pandemic, including temporary closures of our stores in Europe, Canada, Japan, Australia and China for varying periods. Further, a significant percentage of our stores globally were operating on reduced hours during the fourth quarter of 2021 as a result of increased levels of associate absenteeism due to the pandemic.
- COVID-related pressures continued into 2022, although to a much lesser extent than in 2021 in all regions except China. Strict lockdowns in China resulted in extensive temporary store closures and significant reductions in consumer traffic and purchasing, as well as have 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 the impact has continuously improved since 2020, we expect international tourists shopping in our stores in 2023 will continue to be below 2019 levels. Stores located in international tourist destinations have historically represented a significant portion of this business.

Our brick and mortar wholesale customers and our licensing partners also have experienced significant business disruptions as a result of the pandemic, with several of our North America wholesale customers filing for bankruptcy in 2020. Our wholesale customers and franchisees globally generally have experienced temporary store closures and operating restrictions and obstacles in the same countries and at the same times as us.

Our digital channels, which have historically represented a less significant portion of our overall business, experienced exceptionally strong growth during 2020 and into the first quarter of 2021, both with respect to sales to our traditional and pure play wholesale customers, as well as within our own directly operated digital commerce businesses across all brand businesses and regions. Digital growth was less pronounced during the remainder of 2021 as stores reopened and capacity restrictions lessened. Sales through digital channels decreased 12% in 2022 compared to exceptionally strong revenue in 2021, inclusive of a negative impact of approximately 8% related to foreign currency translation. We currently expect our sales through digital channels as a percentage of total revenue in 2023 to remain consistent with 2022 levels at approximately 20%.

In addition, the pandemic has 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, particularly during the second half of 2021 and into 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. These impacts significantly improved in the second half of 2022. We incurred beginning in the second half of 2021 and through the first half of 2022 higher air freight and other logistics costs in connection with these disruptions. To mitigate the supply chain and logistics disruptions, we increased our core product inventory levels.

The impacts of the COVID-19 pandemic resulted in an unprecedented material decline in our revenue and earnings in 2020, including \$1.021 billion of pre-tax noncash impairment charges recognized during the year, primarily related to goodwill, tradenames and other intangible assets, and store assets. We took the following actions, starting in the first quarter of 2020, to reduce operating expenses in response to the pandemic and the evolving retail landscape: (i) reducing payroll costs, including temporary furloughs, salary and incentive compensation reductions, decreased working hours, and hiring freezes, as well as taking advantage of COVID-related government payroll subsidy programs primarily in international jurisdictions, (ii) eliminating or reducing expenses in all discretionary spending categories and (iii) reducing rent expense through rent abatements negotiated with landlords for certain stores affected by temporary closures.

#### ***Outlook Uncertainty due to War in Ukraine and Inflation***

There continues to be significant 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, neckwear, handbags, accessories, footwear and other related products under owned and licensed trademarks, and (ii) the sale of certain of these products through (a) approximately 1,500 Company-operated free-standing store locations worldwide under our *TOMMY HILFINGER* and *Calvin Klein* trademarks, (b) approximately 1,300 Company-operated shop-in-shop/concession locations worldwide under our *TOMMY HILFINGER* and *Calvin Klein* trademarks, and (c) digital commerce sites worldwide, under our *TOMMY HILFINGER* 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; (v) Heritage Brands Wholesale; and, (vi) through the second quarter of 2021, Heritage Brands Retail. Our Heritage Brands Retail segment has ceased operations.

The following actions, transactions and events, in addition to the exit from our Russia business and the impacts from the COVID-19 pandemic as discussed above, have impacted our results of operations and the comparability among the years, including our full year 2023 expectations, as discussed below:

- 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 this report for further discussion.
- 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 approximately \$100 million, net of continued strategic people investments. We recorded pre-tax costs of \$20 million during 2022, consisting of severance related to initial actions taken under the plans. We expect to incur additional costs in 2023 in connection with the 2022 cost savings initiative, however the additional costs are not known at this time. Please see Note 17, “Exit Activity Costs,” in the Notes to Consolidated Financial Statements included in Item 8 of this report 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 (the “Karl Lagerfeld transaction”) on May 31, 2022 for approximately \$20 million in cash, subject to customary adjustments, with \$1 million of the proceeds held in escrow. We recorded a pre-tax gain of \$16 million in the second quarter of 2022 in connection with the transaction. Please see Note 5, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

- We completed the sale of certain of our heritage brands trademarks, including *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene*, as well as certain related inventories of our Heritage Brands business with a net carrying value of \$98 million, to ABG and other parties, on the first day of the third quarter of 2021 for net proceeds of \$216 million. We recorded an aggregate net pre-tax gain of \$113 million in the third quarter of 2021 in connection with the transaction, consisting of (i) a gain of \$119 million, which represented the excess of the amount of consideration received over the carrying value of the net assets, less costs to sell, and a net gain on our retirement plans associated with the transaction, partially offset by (ii) \$6 million of pre-tax severance costs. Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.
- We announced in March 2021 plans to reduce our workforce, primarily in certain international markets, and to reduce our real estate footprint, including reductions in office space and select store closures, which have resulted in annual cost savings of approximately \$60 million. We recorded pre-tax costs of \$48 million during 2021 consisting of (i) \$28 million of noncash asset impairments, (ii) \$16 million of severance and (iii) \$4 million of contract termination and other costs. All costs related to these actions were incurred by the end of 2021. Please see Note 17, “Exit Activity Costs,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.
- We announced in July 2020 plans to streamline our North American operations to better align our business with the evolving retail landscape including (i) a reduction in our office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions (the “North America workforce reduction”), which has resulted in annual cost savings of approximately \$80 million, and (ii) the exit from our Heritage Brands Retail business, which was substantially completed in the second quarter of 2021. We recorded pre-tax costs of \$21 million during 2021 in connection with the exit from the Heritage Brands Retail business, consisting of (i) \$11 million of severance and other termination benefits, (ii) \$6 million of accelerated amortization of lease assets and (iii) \$4 million of contract termination and other costs. We recorded pre-tax costs of \$69 million during 2020, including (i) \$40 million related to the North America workforce reduction, primarily consisting of severance, and (ii) \$29 million in connection with the exit from the Heritage Brands Retail business, consisting of \$15 million of severance, \$7 million of noncash asset impairments and \$7 million of accelerated amortization of lease assets and other costs. All costs related to the North America workforce reduction were incurred by the end of 2020. All costs related to the exit from the Heritage Brands Retail business were incurred by the end of 2021. Please see Note 17, “Exit Activity Costs,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.
- We licensed *Speedo* for North America and the Caribbean until April 2020, at which time we sold the Speedo North America business to Pentland, the parent company of the *Speedo* brand, for net proceeds of \$169 million (the “Speedo transaction”). Upon the closing of the transaction, we deconsolidated the net assets of the Speedo North America business and no longer licensed the *Speedo* trademark. We recorded a pre-tax noncash loss of \$142 million in the fourth quarter of 2019, when the Speedo transaction was announced, consisting of (i) a noncash impairment of our perpetual license right for the Speedo trademark and (ii) a noncash loss to reduce the carrying value of the business to its estimated fair value, less costs to sell. In connection with the closing of the Speedo transaction, we recorded an additional pre-tax noncash net loss of \$3 million in the first quarter of 2020, consisting of (i) a \$6 million noncash loss resulting from the remeasurement of the loss recorded in the fourth quarter of 2019, primarily due to changes to the net assets of the Speedo North America business subsequent to February 2, 2020, partially offset by (ii) a \$3 million gain on our retirement plans. Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 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.

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 weakened against the euro, which is the foreign currency in which we transact the most business, in the latter half of 2020 and in the first half of 2021, but then strengthened in the second half of 2021. The United States dollar continued to strengthen against the euro, 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 and into 2023. Our 2022 revenue and net income decreased by approximately \$630 million and \$70 million, respectively, as compared to 2021 due to the impact of foreign currency translation. However, we currently expect our 2023 revenue and net income to increase by approximately \$70 million and \$10 million, respectively, as compared to 2022 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. Our 2022 net income decreased by approximately \$25 million as compared to 2021 due to the transactional impact of foreign currency. 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 2022. As of January 29, 2023, net monetary assets denominated in Turkish lira represented less than 1% of our total net assets.

The following table summarizes our statements of operations in 2022, 2021 and 2020:

	2022	2021	2020
(Dollars in millions)			
Net sales	\$ 8,545	\$ 8,724	\$ 6,799
Royalty revenue	372	340	260
Advertising and other revenue	107	91	74
Total revenue	9,024	9,155	7,133
Gross profit	5,123	5,324	3,777
% of total revenue	56.8 %	58.2 %	53.0 %
SG&A expenses	4,377	4,454	3,983
% of total revenue	48.5 %	48.7 %	55.8 %
Goodwill and other intangible asset impairments	417	—	933
Non-service related pension and postretirement income	(92)	(64)	(76)
Other (gain) loss, net	—	(119)	3
Equity in net income (loss) of unconsolidated affiliates	50	24	(5)
Income (loss) before interest and taxes	471	1,077	(1,072)
Interest expense	90	109	125
Interest income	7	4	4
Income (loss) before taxes	388	973	(1,193)
Income tax expense (benefit)	188	21	(56)
Net income (loss)	200	952	(1,137)
Less: Net loss attributable to redeemable non-controlling interest	—	(0)	(1)
Net income (loss) attributable to PVH Corp.	\$ 200	\$ 952	\$ (1,136)

### Total Revenue

Total revenue was \$9.024 billion in 2022, \$9.155 billion in 2021 and \$7.133 billion in 2020. The decrease in revenue of \$130 million, or 1%, in 2022 as compared to 2021 included (i) a 7% negative impact of foreign currency translation, (ii) 2% reduction resulting from the Heritage Brands transaction and the exit from the Heritage Brands Retail business and (iii) a 1% reduction resulting from the impact of the war in Ukraine, including closures of our stores in Russia, the cessation of wholesale shipments to Russia and Belarus, and a reduction in wholesale shipments to Ukraine, and included the following:

- The net reduction of an aggregate \$46 million of revenue, or a 1% decrease compared to the prior year, attributable to our Tommy Hilfiger International and Tommy Hilfiger North America segments, which included a negative impact of \$387 million, or 8%, related to foreign currency translation. Tommy Hilfiger International segment revenue decreased 4% (including an 11% negative foreign currency impact). Revenue in our Tommy Hilfiger North America segment increased 9%.
- The addition of an aggregate \$123 million of revenue, or a 3% increase compared to the prior year, attributable to our Calvin Klein International and Calvin Klein North America segments, which included a negative impact of \$232 million, or 6%, related to foreign currency translation. Calvin Klein International segment revenue increased 1% (including a 10% negative foreign currency impact). Revenue in our Calvin Klein North America segment increased 8%.
- The reduction of an aggregate \$207 million of revenue, or a 26% decrease compared to the prior year, attributable to our Heritage Brands Wholesale and Heritage Brands Retail segments, which included a 25% decline resulting from the Heritage Brands transaction and the exit from the Heritage Brands Retail business.

Our 2022 revenue through our direct-to-consumer distribution channel decreased 1%, including a 7% negative foreign currency impact and a 2% reduction resulting from the exit of the Heritage Brands Retail business. Sales through our directly operated digital commerce businesses decreased 7% in 2022, including an 8% negative foreign currency impact, following exceptionally strong growth in 2021. 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 in 2022. Our revenue through our wholesale distribution channel decreased 3% in 2022, inclusive of a 7% negative foreign currency impact and a 2% reduction resulting from the Heritage Brands transaction.

Revenue in 2020 was significantly negatively impacted by the COVID-19 pandemic as discussed above. The increase in revenue of \$2.022 billion, or 28%, in 2021 as compared to 2020 included the following:

- The addition of an aggregate \$1.067 billion of revenue, or a 29% increase compared to the prior year, attributable to our Tommy Hilfiger International and Tommy Hilfiger North America segments, which included a positive impact of \$74 million, or 2%, related to foreign currency translation. Tommy Hilfiger International segment revenue increased 32% (including a 2% positive foreign currency impact). Revenue in our Tommy Hilfiger North America segment increased 22%.
- The addition of an aggregate \$1.022 billion of revenue, or a 39% increase compared to the prior year, attributable to our Calvin Klein International and Calvin Klein North America segments, which included a positive impact of \$60 million, or 2%, related to foreign currency translation. Calvin Klein International segment revenue increased 39% (including a 3% positive foreign currency impact). Revenue in our Calvin Klein North America segment increased 38%.
- The reduction of an aggregate \$67 million of revenue, or an 8% decrease compared to the prior year, attributable to our Heritage Brands Wholesale and Heritage Brands Retail segments, which included a 27% decline resulting from (i) the Heritage Brands transaction, (ii) the exit from the Heritage Brands Retail business, and (iii) the April 2020 closing of the Speedo transaction.

Our revenue through our direct-to-consumer distribution channel in 2021 increased 18%, inclusive of a 2% positive foreign currency impact and a 3% reduction from the exit of the Heritage Brands Retail business. Sales through our directly operated digital commerce businesses increased 15% in 2021, including a 2% positive foreign currency impact, as compared to the prior year following exceptionally strong growth in 2020. 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 25% of total revenue in 2021. Our revenue through our wholesale distribution channel increased 38% in 2021, inclusive of a 3% positive foreign currency impact offset by a 3% reduction from the Heritage Brands transaction.

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 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 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.

The following table shows our revenue mix between net sales and royalty, advertising and other revenue, as well as our gross margin for 2022, 2021 and 2020:

	2022	2021	2020
Components of revenue:			
Net sales	94.7 %	95.3 %	95.3 %
Royalty, advertising and other revenue	5.3	4.7	4.7
Total	100.0 %	100.0 %	100.0 %
Gross margin	56.8 %	58.2 %	53.0 %

Gross profit in 2022 was \$5.123 billion, or 56.8% of total revenue, as compared to \$5.324 billion, or 58.2% of total revenue, in 2021. The 140 basis point gross margin decrease was primarily driven by (i) higher product, freight and other logistics costs as compared to the prior year, as a result of inflationary pressures and the supply chain and logistics disruptions, and (ii) increased promotional activity due to elevated inventory levels industry-wide compared to consumer demand, particularly in the second half of 2022. These decreases were partially offset by (i) price increases that were implemented in certain regions and for certain product categories during 2022 and (ii) the impact of the reduction in revenue from our Heritage Brands businesses as a result of the Heritage Brands transaction and the exit from the Heritage Brands Retail business, as the revenue from our Heritage Brands businesses carried lower gross margins.

Gross profit in 2021 was \$5.324 billion, or 58.2% of total revenue, as compared to \$3.777 billion, or 53.0% of total revenue, in 2020. The 520 basis point gross margin increase was primarily driven by (i) more full price selling, (ii) the impact of a change in the revenue mix between our International and North America segments as compared to the prior year as our International segments revenue was a larger proportion and generally carry higher gross margins, and (iii) the favorable impact of the weaker 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 decreased local currency value of inventory results in lower cost of goods in local currency when the goods are sold. These improvements were partially offset by higher freight costs in 2021 than in the prior year, including an increase of approximately \$35 million in air freight to mitigate supply chain and logistics delays.

We currently expect that gross margin in 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) 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, (iv) the impact of 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 (v) 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 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 expect to incur in 2023 as a result of inflationary pressures, particularly in the first half of the year.

### SG&A Expenses

Our SG&A expenses were as follows:

(In millions)	2022	2021	2020
SG&A expenses	\$ 4,377	\$ 4,454	\$ 3,983
% of total revenue	48.5 %	48.7 %	55.8 %

SG&A expenses in 2022 were \$4.377 billion, or 48.5% of total revenue, as compared to \$4.454 billion, or 48.7% of total revenue in 2021. The 20 basis point decrease was primarily as a result of (i) the absence of costs incurred in the prior year and the realized cost savings in 2022 as a result of actions taken to reduce our workforce, primarily in certain international markets, and to reduce our real estate footprint and (ii) the absence in 2022 of costs incurred in the prior year associated with the exit from our Heritage Brands Retail business. These decreases were partially offset by (i) net costs incurred in connection with the exit from our Russia business, primarily consisting of noncash asset impairments and a gain on contract terminations,

and (ii) the impact of the reduction in revenue from our Heritage Brands businesses as a result of the Heritage Brands transaction and the exit from our Heritage Brands Retail business, as the revenue from our Heritage Brands businesses carried lower SG&A expenses as a percentage of total revenue.

SG&A expenses in 2021 were \$4.454 billion, or 48.7% of total revenue, as compared to \$3.983 billion, or 55.8% of total revenue in 2020. The 710 basis point decrease was principally attributable to the leveraging of expenses driven by the increase in revenue. Also impacting the decrease were (i) cost savings resulting from the North America workforce reduction, (ii) the absence in 2021 of accounts receivable losses recorded in 2020 as a result of the COVID-19 pandemic, and (iii) the absence in 2021 of noncash store asset impairments recorded in 2020 resulting from the impacts of the pandemic on our business. These decreases were partially offset by (i) a reduction in 2021 of pandemic-related government payroll subsidy programs in international jurisdictions, as well as rent abatements negotiated with certain of our landlords, (ii) the absence in 2021 of temporary cost savings initiatives we implemented in April 2020 in response to the pandemic, including temporary furloughs, and salary and incentive compensation reductions, and (iii) the impact of the change in the revenue mix between our International and North America segments as compared to the prior year, as our International segments revenue was a larger proportion and generally carry higher SG&A expenses as percentages of total revenue.

We currently expect that SG&A expenses as a percentage of revenue in 2023 will decrease slightly as compared to 2022. Our expectation for 2023 includes decreases primarily as a result of (i) the favorable impact of the 2022 cost savings initiative and (ii) the absence in 2023 of costs incurred in 2022 in connection with the exit from our Russia business. These decreases are expected to be partially offset by (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 and (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.

### ***Goodwill and Other Intangible Asset Impairments***

We recorded a pre-tax noncash goodwill impairment charge of \$417 million during 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.

We recorded pre-tax noncash impairment charges of \$933 million during 2020 resulting from the impacts of the COVID-19 pandemic on our business, including \$879 million related to goodwill and \$54 million related to other intangible assets, primarily our then-owned *ARROW* and *Geoffrey Beene* tradenames. These impairments resulted from interim impairment assessments of our goodwill and other intangible assets, which we were required to perform in the first quarter of 2020 due to the adverse impacts of the pandemic on our then-current and estimated future business results and cash flows, as well as the significant decrease in our market capitalization as a result of a sustained decline in our common stock price.

Please see Note 7, “Goodwill and Other Intangible Assets,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of these impairments.

### ***Non-Service Related Pension and Postretirement Income***

Non-service related pension and postretirement income was \$92 million, \$64 million and \$76 million in 2022, 2021 and 2020, respectively. Non-service related pension and postretirement income in 2022, 2021 and 2020 included actuarial gains on our retirement plans of \$78 million, \$49 million and \$65 million, respectively.

Please see Note 12, “Retirement and Benefit Plans,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

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 2023 will be approximately \$3 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.

#### ***Other (Gain) Loss, Net***

We recorded a gain of \$(119) million in the third quarter of 2021 in connection with the Heritage Brands transaction.

We recorded a noncash net loss of \$3 million in the first quarter of 2020 in connection with the Speedo transaction.

Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of these transactions.

#### ***Equity in Net Income (Loss) of Unconsolidated Affiliates***

The equity in net income (loss) of unconsolidated affiliates was \$50 million and \$24 million of income in 2022 and 2021, respectively, as compared to a \$(5) million loss in 2020. These amounts relate to our share of income (loss) from (i) our joint venture for the *TOMMY HILFIGER*, *Calvin Klein*, and *Warner’s* brands, and certain 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 joint venture for the *TOMMY HILFIGER*, *Calvin Klein*, *IZOD*, *Van Heusen* and *Warner’s* 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 (loss) of unconsolidated affiliates for 2022 also included a \$16 million pre-tax gain in connection with the Karl Lagerfeld transaction. The equity in net income (loss) of unconsolidated affiliates for 2020 also included a \$12 million pre-tax noncash impairment of our investment in Karl Lagerfeld resulting from the impacts of the COVID-19 pandemic on its business. Please see Note 5, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of our investment in Karl Lagerfeld.

The equity in net income (loss) of unconsolidated affiliates for 2022 increased as compared to 2021 primarily as a result of the \$16 million pre-tax gain that we recorded in 2022 in connection with the Karl Lagerfeld transaction, as well as an increase in income attributable to our joint ventures in Mexico and India. The equity in net income (loss) for 2021 increased as compared to 2020 primarily due to the absence in 2021 of the \$12 million pre-tax noncash impairment of our investment in Karl Lagerfeld recorded in 2020 as well as an increase in the income on our other investments.

We currently expect that our equity in net income (loss) of unconsolidated affiliates for 2023 will decrease as compared to 2022 due to the absence in 2023 of the \$16 million pre-tax gain that we recorded in the second quarter of 2022.

#### ***Interest Expense, Net***

Interest expense, net decreased to \$83 million in 2022 from \$104 million in 2021 primarily due to the impact of \$1.030 billion of voluntary long-term debt repayments made during 2021.

Interest expense, net decreased to \$104 million in 2021 from \$121 million in 2020 primarily due to (i) the impact of \$1.030 billion of voluntary long-term debt repayments made during 2021, (ii) a decrease in interest rates as compared to 2020 and (iii) the absence in 2021 of a \$5 million expense recorded in 2020 resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the acquisition of the 78% ownership interests in Gazal Corporation Limited (“Gazal”) that we did not already own (the “Australia acquisition”), as the measurement period ended in 2020, partially offset by (iv) the full year impact in 2021 of the issuances in April 2020 of an additional €175 million principal amount of 3 5/8% senior unsecured notes due 2024 and in July 2020 of \$500 million principal amount of 4 5/8% senior unsecured notes due 2025. Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of the remeasurement of the mandatorily redeemable non-controlling interest.

Please see the section entitled “Financing Arrangements” within “Liquidity and Capital Resources” below for further discussion.

Interest expense, net in 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

Income tax expense (benefit) was as follows:

	2022	2021	2020
(Dollars in millions)			
Income tax expense (benefit)	\$ 188	\$ 21	\$ (56)
Income tax as a % of pre-tax income (loss)	48.4 %	2.1 %	4.7 %

We file income tax returns in more than 40 international jurisdictions each year. A substantial amount of our earnings are in international jurisdictions, particularly the Netherlands and Hong Kong SAR, where income tax rates, when coupled with special rates levied on income from certain of our jurisdictional activities, have historically been lower than the United States statutory income tax rate. These special rates expired at the end of 2021.

Significant items which have caused our tax rate to fluctuate each year include the items discussed below. The effect that discrete tax amounts have on the effective income tax rate in each year is not comparable due to changes in our pre-tax income (loss).

Our effective income tax rate for 2022 was 48.4%. Our 2022 effective income tax rate included the impact of the \$417 million noncash goodwill impairment charge recorded in 2022, which was non-deductible and resulted in an increase to our effective income tax rate of 22.3%.

Our effective income tax rate for 2021 was 2.1%. Our 2021 effective income tax rate included (i) a \$106 million benefit resulting from a tax accounting method change made in conjunction with our 2020 United States federal income tax return that provides additional tax benefits to the foreign components of our federal income tax provision, which resulted in a decrease to our effective income tax rate of 10.9%, (ii) a favorable impact on certain liabilities for uncertain tax positions resulting from the expiration of applicable statutes of limitation of \$93 million, which resulted in a decrease to our effective income tax rate of 9.7%, and (iii) a \$32 million benefit related to the remeasurement of certain net deferred tax assets in connection with the expiration of the special tax rates at the end of 2021, which resulted in a decrease to our effective income tax rate of 3.3%.

Our effective income tax rate for 2020 was 4.7%. Our 2020 effective income tax rate, which reflected a \$(56) million income tax benefit recorded on \$(1.193) billion of pre-tax losses, included (i) the impact of \$879 million of pre-tax goodwill impairment charges recorded in 2020, which were mostly non-deductible and resulted in a decrease to our effective income tax rate of 13.3%, and (ii) a \$33 million expense related to the remeasurement of certain of our net deferred tax liabilities in connection with the legislation enacted in the Netherlands, which became effective on January 1, 2021 and resulted in a decrease to our effective income tax rate of 2.8%.

We currently expect that our effective income tax rate in 2023 will be approximately 24%.

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. Please see Note 9, "Income Taxes," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act, with tax provisions primarily focused on implementing a 15% corporate minimum tax based on global adjusted financial statement income and a 1% excise tax on share repurchases. The corporate minimum tax will be effective in fiscal 2023 and the excise tax was effective January 1, 2023. Based on our current analysis, we do not expect the new law to have a material impact on our consolidated financial statements.

## Redeemable Non-Controlling Interest

We formed a joint venture in Ethiopia ("PVH Ethiopia") to operate a manufacturing facility that produced finished products for us for distribution primarily in the United States. We held an initial economic interest of 75% in PVH Ethiopia, with our partner's 25% interest accounted for as a redeemable non-controlling interest ("RNCI"). We consolidated the results of

PVH Ethiopia in our consolidated financial statements. The capital structure of PVH Ethiopia was amended effective May 31, 2021 and we solely managed and effectively owned all economic interests in the joint venture. As a result of the amendments to the capital structure of PVH Ethiopia, we stopped attributing any net income or loss in PVH Ethiopia to an RNCI beginning May 31, 2021. The net loss attributable to the RNCI was immaterial in 2021 and 2020. We closed in the fourth quarter of 2021 the manufacturing facility that was PVH Ethiopia's sole operation. The closure did not have a material impact on our consolidated financial statements. Please see Note 6, "Redeemable Non-Controlling Interest," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

## **LIQUIDITY AND CAPITAL RESOURCES**

### ***Cash Flow Summary and Trends***

Cash and cash equivalents at January 29, 2023 was \$551 million, a decrease of \$692 million from the \$1.242 billion at January 30, 2022. The change in cash and cash equivalents included the impact of (i) \$405 million of completed common stock repurchases under the stock repurchase program, (ii) \$23 million of mandatory long-term debt repayments and (iii) \$19 million of cash proceeds received in connection with the Karl Lagerfeld transaction (the remaining \$1 million of proceeds is being held in escrow as of January 29, 2023). We ended 2022 with approximately \$1.4 billion of borrowing capacity available under our various debt facilities.

Cash flow in 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 at least \$200 million. There continues to be uncertainty with respect to the impacts of inflationary pressures globally and, as such, our cash flows may be subject to material significant change, including as a result of the elevated inventory levels that we have experienced and may continue to experience, due to lower consumer demand and elevated inventory levels industry-wide.

As of January 29, 2023, \$397 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. However, if management decides at a later date to repatriate these earnings to the United States, we may be required to accrue and pay additional taxes, including any applicable foreign withholding tax and United States state income taxes. 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 \$39 million in 2022 compared to \$1.071 billion in 2021. The decrease in cash provided by operating activities as compared to 2021 was primarily driven by changes in our working capital and a decrease in net income as adjusted for noncash charges. The changes in our working capital were primarily due to (i) an increase in inventories due to a combination of (a) abnormally low inventory levels in 2021, (b) earlier receipts of inventory in the fourth quarter of 2022 and (c) higher product costs in 2022 and (ii) a decrease in accrued expenses principally driven by (a) the timing of income tax and other payments and (b) lower accruals for certain expenses at year-end 2022 as compared to 2021. Our cash flows from operations have been impacted by supply chain and logistics disruptions, temporary store closures and other impacts of the COVID-19 pandemic on our business, 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") that provides our inventory suppliers with the opportunity to sell their receivables due from us to participating financial institutions at the sole discretion of both the suppliers and the financial institutions. The SCF program is administered through third party platforms that allow participating suppliers to track payments from us and sell their receivables due from us to 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, 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 our consolidated balance sheets and the corresponding payments are reflected in cash flows from operating activities in our consolidated statements of cash flows. We have been informed by the third party administrators of the SCF program that



suppliers had elected to sell approximately \$550 million and \$475 million of our payment obligations that were outstanding as of January 29, 2023 and January 30, 2022, respectively, to financial institutions and approximately \$2.2 billion and \$1.7 billion had been settled through the program during 2022 and 2021, respectively.

### ***Investments in Unconsolidated Affiliates***

We own a 49% economic interest in PVH Legwear. We received dividends of \$6 million and \$2 million from PVH Legwear during 2022 and 2021, respectively, and made a payment of \$2 million to PVH Legwear during 2020 to contribute our share of the joint venture funding.

We, along with Grupo Axo, S.A.P.I. de C.V., formed a joint venture (“PVH Mexico”) in 2016, in which we own a 49% economic interest. We received dividends of \$10 million and \$17 million from PVH Mexico during 2022 and 2021, respectively.

Payments made to contribute our share of the joint ventures’ funding are included in our net cash used by investing activities in our Consolidated Statements of Cash Flows for the respective period. Dividends received from our investments in unconsolidated affiliates are included in our net cash provided 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 5, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

### ***Heritage Brands Transaction***

We completed the sale of certain of our heritage brands trademarks, including *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene*, as well as certain related inventories of our Heritage Brands business, to ABG and other parties on August 2, 2021 for net proceeds of \$216 million, of which \$223 million of gross proceeds were presented as investing cash flows and \$7 million of transaction costs were presented as operating cash flows in the Consolidated Statement of Cash Flows for 2021. Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

### ***Speedo Transaction***

We completed the sale of our Speedo North America business to Pentland on April 6, 2020 for net proceeds of \$169 million. Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

### ***Capital Expenditures***

Our capital expenditures in 2022 were \$290 million compared to \$268 million in 2021. The capital expenditures in 2022 primarily consisted of (i) investments in (a) new stores and store renovations, (b) our information technology infrastructure worldwide, including information security and (c) upgrades and enhancements to platforms and systems worldwide, including our digital commerce platforms, and (ii) enhancements to our warehouse and distribution network in Europe and North America. We currently expect that capital expenditures for 2023 will increase to approximately \$350 million and will primarily consist of continued investments in these same categories.

### ***Mandatorily Redeemable Non-Controlling Interest***

We completed the Australia acquisition in 2019. The Australia acquisition agreement provided for key executives of Gazal and PVH Brands Australia Pty. Limited to exchange a portion of their interests in Gazal for approximately 6% of the outstanding shares of our previously wholly owned subsidiary that acquired 100% of the ownership interests in the Australia business. We were obligated to purchase this 6% interest within two years of the acquisition closing in two tranches.

We purchased tranche 1 (50% of the shares) for \$17 million in June 2020 and tranche 2 (the remaining 50% of the shares) for \$24 million in June 2021 based on exchange rates in effect on the applicable payment dates. We presented these payments within the Consolidated Statements of Cash Flows as follows: (i) \$13 million and \$15 million as financing cash flows in 2020 and 2021, respectively, which represented the initial fair values of the liabilities for the tranche 1 and tranche 2 shares, respectively, recognized on the acquisition date, and (ii) \$5 million and \$9 million as operating cash flows in 2020 and 2021, respectively, for the tranche 1 and tranche 2 shares, respectively, attributable to interest. Please see Note 3, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion.

### ***Dividends***

Cash dividends paid on our common stock totaled \$10 million, \$3 million and \$3 million in 2022, 2021 and 2020, respectively.

We suspended our dividends following a \$3 million dividend payment in March 2020 in response to the impacts of the COVID-19 pandemic on our business. In addition, under the terms of a waiver we obtained in June 2020 of certain covenants under our senior unsecured credit facilities (referred to as the “June 2020 Amendment”), we were not permitted to declare or pay dividends during the relief period. However, effective June 10, 2021, the relief period under the June 2020 Amendment was terminated and we were permitted to declare and pay dividends on our common stock at the discretion of the Board of Directors. Please see the section entitled “2019 Senior Unsecured Credit Facilities” below for further discussion of the June 2020 Amendment and the relief period. Following termination of the relief period, we made a \$3 million dividend payment in the fourth quarter of 2021.

We currently project that cash dividends paid on our common stock in 2023 will be approximately \$10 million based on our current dividend rate, the number of shares of our common stock outstanding as of January 29, 2023, our estimate of stock to be issued during 2023 under our stock incentive plans and our estimate of stock repurchases during 2023.

### ***Acquisition of Treasury Shares***

The Board of Directors has authorized over time since 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.

We suspended share repurchases under the stock repurchase program beginning in March 2020 in response to the impacts of the COVID-19 pandemic on our business. In addition, under the terms of the June 2020 Amendment, we were not permitted to make share repurchases during the relief period. However, effective June 10, 2021, the relief period was terminated and we were permitted to resume share repurchases at management’s discretion, which we did starting in the third quarter of 2021. Please see the section entitled “2019 Senior Unsecured Credit Facilities” below for further discussion of the June 2020 Amendment and the relief period.

During 2022, 2021 and 2020, we purchased 6.2 million shares, 3.3 million shares and 1.4 million shares, respectively, of our common stock under the program in open market transactions for \$399 million, \$350 million and \$111 million, respectively. Purchases of \$6 million that were accrued for in the Consolidated Balance Sheet as of January 30, 2022 were paid in 2022. Purchases of \$500,000 that were accrued for in the Consolidated Balance Sheet as of February 2, 2020 were paid in the first quarter of 2020. As of January 29, 2023, the repurchased shares were held as treasury stock and \$824 million of the authorization remained available for future share repurchases.

We currently expect common stock repurchases under the stock repurchase program of at least \$200 million in 2023.

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

### ***Financing Arrangements***

Our capital structure was as follows:

(In millions)	1/29/23	1/30/22
Short-term borrowings	\$ 46	\$ 11
Current portion of long-term debt	112	35
Finance lease obligations	12	9
Long-term debt	2,177	2,318
Stockholders' equity	5,013	5,289

In addition, we had \$551 million and \$1.242 billion of cash and cash equivalents as of January 29, 2023 and January 30, 2022, respectively.

### **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 borrowings outstanding under these facilities as of January 29, 2023. We had no borrowings outstanding under the prior senior unsecured credit facilities as of January 30, 2022 as discussed in the section entitled “2019 Senior Unsecured Credit Facilities” below.

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 \$199 million based on exchange rates in effect on January 29, 2023 and are utilized primarily to fund working capital needs. We had \$46 million and \$11 million outstanding under these facilities as of January 29, 2023 and January 30, 2022, respectively. The weighted average interest rate on funds borrowed as of January 29, 2023 and January 30, 2022 was 2.31% and 0.17%, respectively. The maximum amount of borrowings outstanding under these facilities during 2022 was \$49 million.

### ***Commercial Paper***

We have the ability to issue, from time to time, 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 January 29, 2023 and January 30, 2022. The maximum amount of borrowings outstanding under the program during 2022 was \$130 million.

The commercial paper note program allows for borrowings of up to \$1.150 billion to the extent that we have borrowing capacity under the multicurrency revolving credit facility included in the 2022 facilities (as defined below). Accordingly, the combined aggregate amount of (i) borrowings outstanding under the commercial paper note program and (ii) the revolving borrowings outstanding under the multicurrency revolving credit facility at any one time cannot exceed \$1.150 billion.

### ***2021 Unsecured Revolving Credit Facility***

On April 28, 2021, we replaced our 364-day \$275 million United States dollar-denominated unsecured revolving credit facility, which matured on April 7, 2021 (the “2020 facility”), with a 364-day \$275 million United States dollar-denominated unsecured revolving credit facility (the “2021 facility”). The 2021 facility matured on April 27, 2022. We paid approximately \$800,000 and \$2 million of debt issuance costs in connection with the 2021 facility and 2020 facility, respectively. We had no borrowings outstanding under these facilities in 2021 or in 2022 prior to maturity on April 27, 2022.

## Finance Lease Obligations

Our cash payments for finance lease obligations totaled \$5 million in each of 2022, 2021 and 2020.

## 2022 Senior Unsecured Credit Facilities

On December 9, 2022 (the “Closing Date”), 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. In connection with the refinancing in 2022 of the 2019 facilities (as defined below), we paid debt issuance costs of \$9 million (of which \$1 million was expensed as debt modification costs and \$8 million is being amortized over the term of the 2022 facilities) and recorded debt extinguishment costs of \$1 million to write off previously capitalized debt issuance costs.

The multicurrency revolving credit facility also includes amounts available for letters of credit and has a portion available for the making of swingline loans. The issuance of such letters of credit and the making of any swingline loan reduces the amount available under the multicurrency revolving credit facility. So long as certain conditions are satisfied, we may add one or more senior unsecured term loan facilities or increase the commitments under the revolving credit facilities by an aggregate amount not to exceed \$1.5 billion. The lenders under the 2022 facilities are not required to provide commitments with respect to such additional facilities or increased commitments.

We had loans outstanding of \$477 million, net of debt issuance costs and based on applicable exchange rates, under the Euro TLA facility and no borrowings outstanding under the 2022 senior unsecured revolving credit facilities as of January 29, 2023.

The terms of the Euro TLA facility require us to make quarterly repayments of amounts outstanding, commencing with the calendar quarter ending March 31, 2023. Such required repayment amounts equal 2.50% per annum of the principal amount outstanding on the Closing Date, paid in equal installments and subject to certain customary adjustments, with the balance due on the maturity date of the Euro TLA facility. The outstanding borrowings under the 2022 facilities are prepayable at any time without penalty (other than customary breakage costs). Any voluntary repayments made by us would reduce the future required repayment amounts.

We made no payments on our term loan under the 2022 facilities during 2022. We made payments of \$488 million on our term loans under the 2019 facilities during 2022, which included \$23 million of mandatory payments and the \$465 million repayment of the 2019 facilities in connection with the refinancing of the senior credit facilities. We made payments of \$1.051 billion on our term loans under the 2019 facilities during 2021, which included the repayment of the outstanding principal balance under our United States dollar-denominated Term Loan A facility (the “USD TLA facility”). We made payments of \$14 million on our term loans under the 2019 facilities during 2020.

The euro-denominated borrowings under the Euro TLA facility and multicurrency revolving credit facility bear interest at a rate per annum equal to a euro interbank offered rate (“EURIBOR”) and the euro-denominated swing line borrowings under the 2022 facilities bear interest at a rate per annum equal to an adjusted daily simple euro short term rate (“ESTR”), calculated in a manner set forth in the 2022 facilities, plus in each case an applicable margin.

The United States dollar-denominated borrowings under the 2022 facilities bear interest at a rate per annum equal to, at our option, either a base rate or an adjusted term secured overnight financing rate (“SOFR”), calculated in a manner set forth in the 2022 facilities, plus an applicable margin.

The borrowings denominated in other foreign currencies under the 2022 facilities bear interest at various indexed rates specified in the 2022 facilities and are calculated in a manner set forth in the 2022 facilities, plus an applicable margin.

The current applicable margin with respect to the Euro TLA Facility as of January 29, 2023 was 1.250%. The current applicable margin with respect to the revolving credit facilities as of January 29, 2023 was 0.125% for loans bearing interest at the base rate, Canadian prime rate or daily simple ESTR rate and 1.125% for loans bearing interest at the EURIBOR rate 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 our fiscal quarters, based upon our net leverage ratio or (ii) after the date of delivery of notice of a change in our public debt rating by Standard & Poor's or Moody's.

The 2022 facilities contain customary events of default, including but not limited to nonpayment; material inaccuracy of representations and warranties; violations of covenants; certain bankruptcies and liquidations; cross-default to material indebtedness; certain material judgments; certain events related to the Employee Retirement Income Security Act of 1974, as amended; and a change in control (as defined in the 2022 facilities).

The 2022 facilities require us to comply with customary affirmative, negative and financial covenants, including a maximum net leverage ratio. A breach of any of these operating or financial covenants would result in a default under the 2022 facilities. If an event of default occurs and is continuing, the lenders could elect to declare all amounts then outstanding, together with accrued interest, to be immediately due and payable, which would result in acceleration of our other debt.

#### 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. The 2019 facilities consisted of 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 consisting of (i) a \$675 million United States dollar-denominated revolving credit facility, (ii) a C\$70 million Canadian dollar-denominated revolving credit facility available in United States dollars or Canadian dollars, (iii) a €200 million euro-denominated revolving credit facility available in euro, Australian dollars and other agreed foreign currencies and (iv) a \$50 million United States dollar-denominated revolving credit facility available in United States dollars or Hong Kong dollars. The 2019 facilities had also previously included a \$1.093 billion USD TLA facility. We repaid the remaining principal balance of \$1.030 billion under our USD TLA facility in 2021.

We had entered into interest rate swap agreements designed with the intended effect of converting notional amounts of our variable rate debt obligation under the 2019 facilities to fixed rate debt. Under the terms of the agreements, for any outstanding notional amount, our exposure to fluctuations in the one-month LIBOR was eliminated and we paid a fixed rate plus the current applicable margin. The following interest rate swap agreements were entered into or in effect during 2021 and 2020 (no interest rate swap agreements were entered into or in effect during 2022):

(In millions)

Designation Date	Commencement Date	Initial Notional Amount	Notional Amount Outstanding as of January 29, 2023	Fixed Rate	Expiration Date
March 2020	February 2021	\$ 50	\$ — <sup>(1)</sup>	0.562%	February 2023
February 2020	February 2021	50	— <sup>(1)</sup>	1.1625%	February 2023
February 2020	February 2020	50	— <sup>(1)</sup>	1.2575%	February 2023
August 2019	February 2020	50	— <sup>(1)</sup>	1.1975%	February 2022
June 2019	February 2020	50	— <sup>(1)</sup>	1.409%	February 2022
June 2019	June 2019	50	—	1.719%	July 2021
January 2019	February 2020	50	—	2.4187%	February 2021
November 2018	February 2019	139	—	2.8645%	February 2021
October 2018	February 2019	116	—	2.9975%	February 2021
June 2018	August 2018	50	—	2.6825%	February 2021

<sup>(1)</sup> We terminated in 2021 the interest rate swap agreements due to expire in February 2022 and February 2023 in connection with the early repayment of the outstanding principal balance under our USD TLA facility.

Our 2019 facilities also required us to comply with customary affirmative, negative and financial covenants, including a minimum interest coverage ratio and a maximum net leverage ratio. Given the disruption to our business caused by the COVID-19 pandemic and to ensure financial flexibility, we amended these facilities in June 2020 to provide temporary relief of certain financial covenants until the date on which a compliance certificate was delivered for the second quarter of 2021 (the “relief period”) unless we elected earlier to terminate the relief period and satisfied the conditions for doing so (the “June 2020 Amendment”). The June 2020 Amendment provided for the following during the relief period, among other things, the (i) suspension of compliance with the maximum net leverage ratio through and including the first quarter of 2021, (ii) suspension of the minimum interest coverage ratio through and including the first quarter of 2021, (iii) addition of a minimum liquidity covenant of \$400 million, (iv) addition of a restricted payment covenant and (v) imposition of stricter limitations on the incurrence of indebtedness and liens. The limitation on restricted payments required that we suspend payments of dividends on our common stock and purchases of shares under our stock repurchase program during the relief period. The June 2020 Amendment also provided that during the relief period the applicable margin would be increased 0.25%. We terminated early, effective June 10, 2021, this temporary relief period and, as a result, the various provisions in the June 2020 Amendment described above were no longer in effect.

#### 7 3/4% Debentures Due 2023

We have outstanding \$100 million of debentures due November 15, 2023 that accrue interest at the rate of 7 3/4%. The debentures are not redeemable at our option prior to maturity.

#### 3 5/8% Euro Senior Notes Due 2024

We have outstanding €525 million principal amount of 3 5/8% senior notes due July 15, 2024, of which €175 million principal amount was issued on April 24, 2020. Interest on the notes is payable in euros. We paid €3 million (\$3 million based on exchange rates in effect on the payment date) of fees in connection with the issuance of the additional €175 million notes. We 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, we 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

We issued on July 10, 2020, \$500 million principal amount of 4 5/8% senior notes due July 10, 2025. The interest rate payable on the notes is subject to adjustment if either Standard & Poor's or Moody's, or any substitute rating agency, as defined in the indenture governing the notes, downgrades the credit rating assigned to the notes. We paid \$6 million of fees in connection with the issuance of the notes. We 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, we 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

We have outstanding €600 million principal amount of 3 1/8% senior notes due December 15, 2027. Interest on the notes is payable in euros. We 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, we may redeem some or all of these notes on or after September 15, 2027 at their principal amount plus any accrued and unpaid interest.

Our financing arrangements contain financial and non-financial covenants and customary events of default. As of January 29, 2023, we were in compliance with all applicable financial and non-financial covenants under our financing arrangements.

As of January 29, 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 8, "Debt," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of our debt.

#### **Additional Cash Requirements**

The following table summarizes current and long-term cash requirements as of January 29, 2023, which we expect to fund primarily with cash generated from operating cash flows and continued access to financial and credit markets:

Description (In millions)	Cash Requirements				
	Total	2023	2024-2025	2026-2027	Thereafter
Long-term debt <sup>(1)</sup>	\$ 2,301	\$ 112	\$ 1,094	\$ 1,095	\$ —
Interest payments on long-term debt	270	87	115	68	
Short-term borrowings	46	46			
Operating and finance leases <sup>(2)</sup>	1,763	416	582	369	396
Inventory purchase commitments <sup>(3)</sup>	767	767			
Non-qualified supplemental defined benefit plans <sup>(4)</sup>	12	7	1	1	3
Other cash requirements <sup>(5)</sup>	148	81	60	7	
Total	\$ 5,307	\$ 1,516	\$ 1,852	\$ 1,540	\$ 399

<sup>(1)</sup> At January 29, 2023, the outstanding principal balance under our senior unsecured Term Loan A facility was \$479 million, which requires mandatory payments through December 9, 2027 (according to the mandatory repayment schedules). We also had outstanding \$100 million of 7 3/4% debentures due November 15, 2023, \$570 million of 3 5/8% senior unsecured euro notes due July 15, 2024, \$500 million of 4 5/8% senior unsecured notes due July 10, 2025 and \$652 million of 3 1/8% senior unsecured euro notes due December 15, 2027.

- (2) We lease Company-operated free-standing retail store locations, warehouses, distribution centers, showrooms, office space, and certain equipment and other assets. Please see Note 16, "Leases," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further information.
- (3) Represents contractual commitments that are enforceable and legally binding for goods on order and not received or paid for as of January 29, 2023. Inventory purchase commitments also include fabric commitments with our suppliers, which secure a portion of our material needs for future seasons. Substantially all of these goods are expected to be received and the related payments are expected to be made in 2023. This amount does not include foreign currency forward exchange contracts that we have entered into to manage our exposure to exchange rate changes with respect to certain of these purchases. Please see Note 10, "Derivative Financial Instruments," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further information.
- (4) Represents cash requirements primarily related to benefit payments under our unfunded non-qualified supplemental defined benefit pension 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 shortly after, employment termination or retirement. Please see Note 12, "Retirement and Benefit Plans," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further information on our supplemental defined benefit pension plans.
- (5) Represents cash requirements primarily related to (i) information-technology service agreements, (ii) minimum contractual royalty payments under several license agreements we have with third parties, and (iii) advertising and sponsorship agreements.

Not included in the above table are contributions to our qualified defined benefit pension plans, or payments beyond the next 12 months to certain employees and retirees in connection with our unfunded supplemental executive retirement plans, or payments in connection with our unfunded postretirement health care and life insurance benefits plans. These cash requirements cannot be determined due to the number of assumptions required to estimate our future benefit obligations, including return on assets, discount rate and future compensation increases. The liabilities associated with these plans are presented in Note 12, "Retirement and Benefit Plans," in the Notes to Consolidated Financial Statements included in Item 8 of this report. Currently, we do not expect to make any material contributions to our pension plans in 2023. Our actual contributions may differ from our planned contributions due to many factors, including changes in tax and other benefit laws, or significant differences between expected and actual pension asset performance or interest rates.

Not included in the above table are \$99 million of net potential cash obligations associated with uncertain tax positions due to the uncertainty regarding the future cash outflows associated with such obligations. Please see Note 9, "Income Taxes," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further information related to uncertain tax positions.

Not included in the above table are \$45 million of asset retirement obligations related to our obligation to dismantle or remove leasehold improvements from leased office, retail store or warehouse locations at the end of a lease term in order to restore a facility to a condition specified in the lease agreement due to the uncertainty of timing of future cash outflows associated with such obligations. Please see Note 22, "Other Comments," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further information related to asset retirement obligations.



## MARKET RISK

Financial instruments held by us as of January 29, 2023 primarily include cash and cash equivalents, short-term borrowings, long-term debt and foreign currency forward exchange contracts. Note 11, “Fair Value Measurements,” in the Notes to Consolidated Financial Statements included in Item 8 of this report outlines the fair value of our financial instruments as of January 29, 2023. Cash and cash equivalents held by us are affected by short-term interest rates. Given our balance of cash and cash equivalents at January 29, 2023, the effect of a 10 basis point change in short-term interest rates on our interest income would be approximately \$0.6 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. We previously had exposure to interest rate volatility related to the term loans under the 2019 facilities, and had entered into interest rate swap agreements to reduce our exposure to interest rate volatility. No interest rate swap agreements were outstanding as of January 29, 2023. As of January 29, 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” above for further discussion of our credit facilities and prior interest rate swap agreements.

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, \$9.2 billion of revenue in 2021, and \$7.1 billion of revenue in 2020 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 (loss) income. Accordingly, our results of operations and other comprehensive (loss) income 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.

Our 2022 revenue and net income decreased by approximately \$630 million and \$70 million, respectively, as compared to 2021 due to the impact of foreign currency translation. We currently expect our 2023 revenue and net income to increase by approximately \$70 million and \$10 million, respectively, as compared to 2022 due to the impact of foreign currency translation.

In 2022, we recognized unfavorable foreign currency translation adjustments of \$68 million within other comprehensive (loss) income principally driven by a strengthening of the United States dollar against the euro of 2% since January 30, 2022. Our foreign currency translation adjustments recorded in other comprehensive (loss) income are significantly impacted by the substantial amount of goodwill and other intangible assets denominated in the euro, which represented 39% of our \$5.6 billion total goodwill and other intangible assets as of January 29, 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.

Our 2022 net income decreased by approximately \$25 million as compared to 2021 due to the transactional impact of foreign currency. 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 January 29, 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 \$130 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 \$120 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 2022. As of January 29, 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.

## **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 has the highest level of royalty revenue due to higher sales by licensees in advance of the holiday selling season. The COVID-19 pandemic has disrupted these patterns, however. We otherwise expect this seasonal pattern will generally continue. Working capital requirements vary throughout the year to support these seasonal patterns and business trends.

## **RECENT ACCOUNTING PRONOUNCEMENTS**

Please see Note 1, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for a discussion of recently issued and adopted accounting standards.

## **CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

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

this report. We believe that the following are the more critical judgmental areas in the application of our accounting policies that currently affect our financial position and results of operations:

*Sales allowances and returns*—We have arrangements with many of our department and specialty store customers to support their sales of our products. We establish accruals we believe will be required to satisfy our sales allowance obligations based on a review of the individual customer arrangements, which may be a predetermined percentage of sales in certain cases or may be based on the expected performance of our products in their stores. We also establish accruals, which are based on historical experience, an evaluation of current sales trends and market conditions, and authorized amounts, that we believe are necessary to provide for sales allowances and inventory returns. It is possible that the accrual estimates could vary from actual results, which would require adjustment to the allowance and returns accruals.

*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. We review current business trends and forecasts, inventory aging and discontinued merchandise categories to determine adjustments which we estimate 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. We believe that all inventory write-downs required at January 29, 2023, have been recorded. Our historical estimates of inventory reserves have not differed materially from actual results. If market conditions were to change, including as a result of inflationary pressures globally and the war in Ukraine and its broader macroeconomic implications, it is possible that the required level of inventory reserves would need to be adjusted.

*Asset impairments*—We determined during 2022, 2021 and 2020 that certain long-lived assets were not recoverable, which resulted in us recording impairment charges. The long-lived asset impairments in 2022, which primarily related to certain office, retail store and shop-in-shop assets, including property, plant and equipment and operating lease-right-of-use assets, were primarily in connection with our decision in the second quarter of 2022 to exit from our Russia business and the financial performance in certain of our retail stores. The long-lived asset impairments in 2021, which primarily related to certain office, retail store and shop-in-shop assets, including property, plant and equipment and operating lease-right-of-use assets, were primarily as a result of actions taken by us to reduce our real estate footprint, including reductions in office space, and the financial performance in certain of our retail stores and shop-in-shops. The long-lived asset impairments in 2020, which primarily related to certain retail store and shop-in-shop assets, including property, plant and equipment and operating lease-right-of-use assets, were as a result of the significant adverse impacts of the COVID-19 pandemic on our business, the impact of the shift in consumer buying trends from our brick and mortar retail stores to digital channels, and our decision in July 2020 to exit from the Heritage Brands Retail business. We also determined during 2020 that certain finite-lived customer relationship intangible assets were impaired due to the adverse impacts of the pandemic on the then-current and projected performance of the underlying businesses.

In addition, we determined during 2020 that our equity method investment in Karl Lagerfeld was impaired as a result of the adverse impacts of the pandemic on the then-current and projected business results.

To test long-lived assets for impairment, we estimated the undiscounted future cash flows and the related fair value of each asset. Undiscounted future cash flows were estimated using current sales trends and other factors and, in the case of operating lease right-of-use assets, using estimated sublease income or market rents. If the sum of such undiscounted future cash flows was less than the asset's carrying amount, we recognized an impairment charge equal to the difference between the carrying amount of the asset and its estimated fair value. If different assumptions had been used, including the rate at which future cash flows were discounted, the recorded impairment charges could have been significantly higher or lower. Please see Note 5, "Investments in Unconsolidated Affiliates," Note 7, "Goodwill and Other Intangible Assets," and Note 11, "Fair Value Measurements," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of the circumstances surrounding these impairments and the assumptions related to the impairment charges.

*Allowance for credit losses on trade receivables*—Trade receivables, as presented in our Consolidated Balance Sheets, are net of an allowance for credit losses. An allowance for credit losses is determined through an analysis of the aging of accounts receivable and assessments of collectability based on historical trends, the financial condition of our customers and licensees, including any known or anticipated bankruptcies, and an evaluation of current economic conditions as well as our expectations of conditions in the future. Because we cannot predict future changes in economic conditions and in the financial stability of our customers with certainty, including as a result of inflationary pressures globally and the war in Ukraine and its

broader macroeconomic implications, actual future losses from uncollectible accounts may differ from our estimates and could impact our allowance for credit losses.

*Income taxes*—Deferred income tax balances reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their tax bases and are stated at enacted tax rates expected to be in effect when taxes are actually paid or recovered. Deferred tax assets are evaluated for future realization and reduced by a valuation allowance to the extent we believe a portion will not be realized. We consider many factors when assessing the likelihood of future realization of our deferred tax assets, including our recent earnings experience and expectations of future taxable income by taxing jurisdiction, the carryforward periods available to us for tax reporting purposes and other relevant factors. The actual realization of deferred tax assets may differ significantly from the amounts we have recorded.

During the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. Accounting for income taxes requires a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if available evidence indicates it is more likely than not that the tax position will be fully sustained upon review by taxing authorities, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount with a greater than 50 percent likelihood of being realized upon ultimate settlement. For tax positions that are 50 percent or less likely of being sustained upon audit, we do not recognize any portion of that benefit in the financial statements. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and which may not accurately anticipate actual outcomes. Our actual results have differed materially in the past and could differ materially in the future from our current estimates.

*Goodwill and other intangible assets*—Goodwill and other indefinite-lived intangible assets are tested for impairment 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. A reporting unit is defined as an operating segment or one level below the operating segment, called a component. However, two or more components of an operating segment will be aggregated and deemed a single reporting unit if the components have similar economic characteristics. Impairment testing for other indefinite-lived intangible assets is done at the individual asset level.

We assess qualitative factors to determine whether it is necessary to perform a more detailed quantitative impairment test for goodwill and other indefinite-lived intangible assets. We may elect to bypass the qualitative assessment and proceed directly to the quantitative test for any reporting units or indefinite-lived intangible assets. Qualitative factors that we consider as part of our assessment include a change in our market capitalization and its implied impact on reporting unit fair value, a change in our weighted average cost of capital, industry and market conditions, macroeconomic conditions, trends in product costs and financial performance of our businesses. If we perform the quantitative test for any reporting units or indefinite-lived intangible assets, we generally use a discounted cash flow method to estimate fair value. The discounted cash flow method is based on the present value of projected cash flows. Assumptions used in these cash flow projections are generally consistent with our internal forecasts. The estimated cash flows are discounted using a rate that represents our weighted average cost of capital. The weighted average cost of capital is based on a number of variables, including the equity-risk premium and risk-free interest rate. Management believes the assumptions used for the impairment tests are consistent with those that would be utilized by a market participant performing similar analysis and valuations. Adverse changes in future market conditions or weaker operating results compared to our expectations may impact our projected cash flows and estimates of weighted average cost of capital, which could result in a potential impairment charge if we are unable to recover the carrying value of our goodwill and other indefinite-lived intangible assets. For goodwill, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. For indefinite-lived intangible assets, an impairment loss is recognized to the extent the carrying amount of the asset exceeds its fair value.

#### Goodwill Impairment Testing

##### *2022 Annual Impairment Test*

For the 2022 annual goodwill impairment test performed as of the beginning of the third quarter of 2022, we elected to bypass the qualitative assessment and proceeded directly to the quantitative impairment test using a discounted cash flow method to estimate the fair value of our reporting units. In making this election, we considered the changes resulting from the then-current macroeconomic environment, in particular the increase in interest rates and the strengthening of the U.S. dollar against most major currencies in which we transact business.

As a result of our 2022 annual impairment test, we recorded \$417 million of noncash impairment charges during the third quarter of 2022, which were included in goodwill and other intangible asset impairments in our Consolidated Statement of Operations. The impairments were driven primarily by a significant increase in discount rates. The impairment charges, which related to the Calvin Klein Wholesale North America, Calvin Klein Licensing and Advertising International and Tommy Hilfiger Retail North America reporting units, were recorded to our segments as follows: \$163 million in the Calvin Klein North America segment, \$77 million in the Calvin Klein International segment and \$177 million in the Tommy Hilfiger North America segment.

Of these reporting units, Calvin Klein Licensing and Advertising International was determined to be partially impaired. The remaining carrying amount of goodwill allocated to this reporting unit as of the date of the test was \$41 million. Holding all other assumptions constant, a 100 basis point change in the annual revenue growth rate assumption for this business would have resulted in a change to the estimated fair value of the reporting unit of approximately \$8 million. Likewise, a 100 basis point change in the weighted average cost of capital would have resulted in a change to the estimated fair value of the reporting unit of approximately \$6 million. While the Calvin Klein Licensing and Advertising International reporting unit was not determined to be fully impaired, it may be at risk of further impairment in the future if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in long-term growth rates or the weighted average cost of capital.

With respect to our other reporting units that were not determined to be impaired, the Calvin Klein Licensing and Advertising North America reporting unit had an estimated fair value that exceeded its carrying amount of \$464 million by 9%. The carrying amount of goodwill allocated to this reporting unit as of the date of the test was \$330 million. Holding all other assumptions constant, a 100 basis point change in the annual revenue growth rate assumption for this business would have resulted in a change to the estimated fair value of the reporting unit of approximately \$43 million. Likewise, a 100 basis point change in the weighted average cost of capital would have resulted in a change to the estimated fair value of the reporting unit of approximately \$34 million. While the Calvin Klein Licensing and Advertising North America reporting unit was not determined to be impaired, it may be at risk of future impairment if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in the long-term growth rate or the weighted average cost of capital.

The fair value of the reporting units for goodwill impairment testing was determined using an income approach and validated using a market approach. The income approach was based on discounted projected future (debt-free) cash flows for each reporting unit. The discount rates applied to these cash flows were based on the weighted average cost of capital for each reporting unit, which takes market participant assumptions into consideration, inclusive of a Company-specific 4% risk premium to account for the additional risk of uncertainty perceived by market participants related to our overall cash flows due to the macroeconomic environment. Estimated future operating cash flows were discounted at rates of 16.0% or 16.5%, depending on the reporting unit, to account for the relative risks of the estimated future cash flows. For the market approach, used to validate the results of the income approach method, we used the guideline company method, which analyzes market multiples of adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") for a group of comparable public companies. The market multiples used in the valuation are based on the relative strengths and weaknesses of the reporting unit compared to the selected guideline companies. We classified the fair values of our reporting units as Level 3 fair value measurements due to the use of significant unobservable inputs.

#### *2021 Annual Impairment Test*

For the 2021 annual goodwill impairment test performed as of the beginning of the third quarter of 2021, we elected to perform a qualitative assessment first to determine whether it was more likely than not that the fair value of each reporting unit with allocated goodwill was less than its carrying amount.

We assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and reporting unit-specific factors. In performing this assessment, we considered the results of our quantitative interim goodwill impairment test performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) the weighted average cost of capital for each reporting unit as of the beginning of the third quarter of 2021, which was either favorable to or consistent with the weighted average cost of capital used in our 2020 interim test, (ii) a favorable change in our market capitalization and its implied impact on the fair value of our reporting units subsequent to the 2020 interim test, and (iii) our recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in our 2020 interim test.

After assessing these events and circumstances, we determined that it was not more likely than not that the fair value of each reporting unit with allocated goodwill was less than its carrying amount and concluded that the quantitative goodwill impairment test was not required. No impairment of goodwill resulted from our annual impairment test in 2021.

#### *2020 Annual Impairment Test*

For the 2020 annual goodwill impairment test performed as of the beginning of the third quarter of 2020, we elected to perform a qualitative assessment first to determine whether it was more likely than not that the fair value of each reporting unit with allocated goodwill was less than the carrying amount.

We assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and reporting unit-specific factors. In performing this assessment, we considered the results of our quantitative interim goodwill impairment test performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) favorable changes in the weighted average cost of capital subsequent to the 2020 interim test, (ii) a favorable change in our market capitalization and its implied impact on the fair value of our reporting units subsequent to the 2020 interim test, and (iii) our recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in our 2020 interim goodwill impairment test.

After assessing these events and circumstances, we determined that it was not more likely than not that the fair value of each reporting unit with allocated goodwill was less than its carrying amount and concluded that the quantitative goodwill impairment test was not required. No impairment of goodwill resulted from our annual impairment test in 2020.

#### *2020 Interim Impairment Test*

We determined in the first quarter of 2020 that the significant adverse impact of the COVID-19 pandemic on our business, including an unprecedented material decline in revenue and earnings and an extended decline in our stock price and associated market capitalization, was a triggering event that required us to perform a quantitative interim goodwill impairment test. As a result of the interim test performed, we recorded \$879 million of noncash impairment charges in the first quarter of 2020, which were included in goodwill and other intangible asset impairments in our Consolidated Statement of Operations. The impairment charges, which related to the Heritage Brands Wholesale, Calvin Klein Retail North America, Calvin Klein Wholesale North America, Calvin Klein Licensing and Advertising International, and Calvin Klein International reporting units, were recorded to our segments as follows: \$198 million in the Heritage Brands Wholesale segment, \$287 million in the Calvin Klein North America segment, and \$394 million in the Calvin Klein International segment.

Of these reporting units, Calvin Klein Wholesale North America, Calvin Klein Licensing and Advertising International, and Calvin Klein International were determined to be partially impaired. The remaining carrying amount of goodwill allocated to these reporting units as of the date of our interim test was \$162 million, \$143 million and \$347 million, respectively. While these reporting units were not determined to be fully impaired in the first quarter of 2020, at the time they were considered to be at risk of further impairment in the future if the related businesses did not perform as projected or if market factors utilized in the impairment analysis deteriorated. As discussed in the 2022 annual impairment test section above, we performed a quantitative impairment test for all reporting units in the third quarter of 2022. As a result of this test, the Calvin Klein Wholesale North America reporting unit was determined to be fully impaired and the Calvin Klein Licensing and Advertising International reporting unit was determined to be further partially impaired in the third quarter of 2022. No further impairment was identified for the Calvin Klein International reporting unit and it was no longer considered to be at risk of further impairment in the future.

With respect to our other reporting units that were not determined to be impaired, the Tommy Hilfiger International reporting unit had an estimated fair value that exceeded its carrying amount, as of the date of our interim test, of \$2,949 million by 5%. The carrying amount of goodwill allocated to this reporting unit as of the date of our interim test was \$1,558 million. While the Tommy Hilfiger International reporting unit was not determined to be impaired in the first quarter of 2020, at the time it was considered to be at risk of future impairment if the related business did not perform as projected or if market factors utilized in the impairment analysis deteriorated. As discussed in the 2022 annual impairment test section above, we performed a quantitative impairment test for all reporting units in the third quarter of 2022. No impairment was identified relating to the Tommy Hilfiger International reporting unit as a result of this test and it was no longer considered to be at risk of further impairment in the future.

The fair value of the reporting units for goodwill impairment testing was determined using an income approach and validated using a market approach. The income approach was based on discounted projected future (debt-free) cash flows for

each reporting unit. The discount rates applied to these cash flows were based on the weighted average cost of capital for each reporting unit, which takes market participant assumptions into consideration. Estimated future operating cash flows used in the interim test were discounted at rates of 10.0%, 10.5% or 11.0%, depending on the reporting unit, to account for the relative risks of the estimated future cash flows. For the market approach, used to validate the results of the income approach method, we used both the guideline company and similar transaction methods. The guideline company method analyzes market multiples of revenue and EBITDA for a group of comparable public companies. The market multiples used in the valuation are based on the relative strengths and weaknesses of the reporting unit compared to the selected guideline companies. Under the similar transactions method, valuation multiples are calculated utilizing actual transaction prices and revenue and EBITDA data from target companies deemed similar to the reporting unit. We classified the fair values of our reporting units as Level 3 fair value measurements due to the use of significant unobservable inputs.

#### Indefinite-Lived Intangible Assets Impairment Testing

##### *2022 Annual Impairment Test*

For the 2022 annual impairment test of the *TOMMY HILFINGER* and *Calvin Klein* tradenames and the reacquired perpetual license rights for *TOMMY HILFINGER* in India performed as of the beginning of the third quarter of 2022, we elected to first assess qualitative factors to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount. For these assets, no impairment was identified as a result of our most recent quantitative impairment test and the fair values of these indefinite-lived intangible assets substantially exceeded their carrying amounts. The asset with the least excess fair value had an estimated fair value that exceeded its carrying amount by approximately 183% as of the date of our most recent quantitative impairment test. We assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and asset-specific factors, including changes in the weighted average cost of capital for each of our indefinite-lived intangible assets since the date of the most recent quantitative test and our recent financial performance and updated financial forecasts as compared to those used in the most recent quantitative tests. After assessing these events and circumstances, we determined qualitatively that it was not more likely than not that the fair values of these indefinite-lived intangible assets were less than their carrying amounts and concluded that the quantitative impairment test was not required.

For the 2022 annual impairment test of the *Warner's* tradename and the reacquired perpetual license rights recorded in connection with the Australia acquisition performed as of the beginning of the third quarter of 2022, we elected to bypass the qualitative assessment and proceeded directly to the quantitative impairment test. With regard to the reacquired perpetual license rights, we determined that its fair value substantially exceeded its carrying amount and, therefore, the asset was not impaired. The fair value of the *Warner's* tradename exceeded its carrying amount of \$96 million by 4% at the testing date. Holding all other assumptions constant, a 100 basis point change in the annual revenue growth rate of the related business would have resulted in a change to the estimated fair value of the asset of approximately \$7 million. Likewise, a 100 basis point change in the weighted average cost of capital would have resulted in a change to the estimated fair value of the asset of approximately \$7 million. While the *Warner's* tradename was not determined to be impaired, it may be at risk of future impairment if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in the long-term growth rate or the weighted average cost of capital.

The fair value of the *Warner's* tradename was determined using an income-based relief-from-royalty method. Under this method, the value of an asset is estimated based on the hypothetical cost savings that accrue as a result of not having to license the tradename from another party. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. We discounted the cash flows used to value the *Warner's* tradename at a rate of 16.0%. The fair value of our reacquired perpetual license rights recorded in connection with the Australia acquisition was determined using an income approach which estimates the net cash flows directly attributable to the subject intangible asset. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. We discounted the cash flows used to value the reacquired perpetual license rights recorded in connection with the Australia acquisition at a rate of 19.0%. We classified the fair values of these indefinite-lived intangible assets as Level 3 fair value measurements due to the use of significant unobservable inputs.

##### *2021 Annual Impairment Test*

For the 2021 annual indefinite-lived intangible assets impairment test performed as of the beginning of the third quarter of 2021, we elected to assess qualitative factors first to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount.

We assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and asset-specific factors. In performing this assessment, we considered the results of our interim impairment testing performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) the weighted average cost of capital for each of our indefinite-lived intangible assets as of the beginning of the third quarter of 2021, which was either favorable to or consistent with the weighted average cost of capital used in our 2020 interim test and (ii) our recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in our 2020 interim test.

After assessing these events and circumstances, we determined that it was not more likely than not that the fair value of our indefinite-lived intangible assets were less than their carrying amounts and concluded that a quantitative impairment test was not required. No impairment of indefinite-lived intangible assets resulted from our annual impairment test in 2021.

#### *2020 Annual Impairment Test*

For the 2020 annual indefinite-lived intangible assets impairment test performed as of the beginning of the third quarter of 2020, we elected to assess qualitative factors first to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount.

We assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and asset-specific factors. In performing this assessment, we considered the results of our interim impairment testing performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) favorable changes in the weighted average cost of capital subsequent to the interim test and (ii) our recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in our 2020 interim test.

After assessing these events and circumstances, we determined that it was not more likely than not that the fair value of our indefinite-lived intangible assets were less than their carrying amounts and concluded that a quantitative impairment test was not required. No impairment of indefinite-lived intangible assets resulted from our annual impairment test in 2020.

#### *2020 Interim Impairment Test*

We determined in the first quarter of 2020 that the impact of the COVID-19 pandemic on our business was a triggering event that prompted the need to perform interim impairment testing of our indefinite-lived intangible assets. For the *TOMMY HILFINGER*, *Calvin Klein*, and *Warner's* tradenames, our then-owned *Van Heusen* tradename and the reacquired perpetual license rights for *TOMMY HILFINGER* in India, we elected to first assess qualitative factors to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount. For these assets, no impairment was identified as a result of our prior annual indefinite-lived intangible asset impairment test in 2019 and the fair values of these indefinite-lived intangible assets substantially exceeded their carrying amounts. The asset with the least excess fair value had an estimated fair value that exceeded its carrying amount by approximately 85% as of the date of our 2019 annual test. Considering this and other factors, we determined qualitatively that it was not more likely than not that the fair values of these indefinite-lived intangible assets were less than their carrying amounts and concluded that the quantitative impairment test in the first quarter of 2020 was not required.

For the then-owned *ARROW* and *Geoffrey Beene* tradenames and the reacquired perpetual license rights recorded in connection with the Australia acquisition, we elected to bypass the qualitative assessment and proceeded directly to the quantitative impairment test. As a result of this quantitative interim impairment testing, we recorded \$47 million of noncash impairment charges in the first quarter of 2020 to write down the two tradenames. This included \$36 million to write down the *ARROW* tradename, which had a carrying amount as of the date of our interim test of \$79 million, to a fair value of \$43 million, and \$12 million to write down the *Geoffrey Beene* tradename, which had a carrying amount of \$17 million, to a fair value of \$5 million. The \$47 million of impairment charges recorded in the first quarter of 2020 was included in goodwill and other intangible asset impairments in our Consolidated Statement of Operations and allocated to our Heritage Brands Wholesale segment. The *Van Heusen*, *ARROW* and *Geoffrey Beene* tradenames were subsequently sold in the third quarter of 2021 in connection with the Heritage Brands transaction. Please see Note 3, "Acquisitions and Divestitures," in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of the Heritage Brands transaction.

With regard to the reacquired perpetual license rights recorded in connection with the Australia acquisition, we determined in the first quarter of 2020 that its fair value substantially exceeded its carrying amount and, therefore, the asset was not impaired.



The fair value of the *ARROW* and *Geoffrey Beene* tradenames was determined using an income-based relief-from-royalty method. Under this method, the value of an asset is estimated based on the hypothetical cost savings that accrue as a result of not having to license the tradename from another party. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. We discounted the cash flows used to value the *ARROW* and *Geoffrey Beene* tradenames at a rate of 10.0%. The fair value of our reacquired perpetual license rights recorded in connection with the Australia acquisition was determined using an income approach, which estimates the net cash flows directly attributable to the subject intangible asset. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. We discounted the cash flows used to value the reacquired perpetual license rights recorded in connection with the Australia acquisition at a rate of 10.0%. We classified the fair values of these indefinite-lived intangible assets as Level 3 fair value measurements due to the use of significant unobservable inputs.

Please see Note 7, “Goodwill and Other Intangible Assets,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of goodwill and indefinite-lived intangible assets.

There have been no significant events or change in circumstances since the date of the 2022 annual impairment tests that would indicate the remaining carrying amounts of our goodwill and indefinite-lived intangible assets may be impaired as of January 29, 2023. If different assumptions for our goodwill and other indefinite-lived intangible assets impairment tests had been applied, significantly different outcomes could have resulted. There continues to be significant uncertainty in the current macroeconomic environment due to inflationary pressures globally, the war in Ukraine and its broader macroeconomic implications, and foreign currency volatility. If market factors utilized in the impairment analysis deteriorate or otherwise vary from current assumptions (including those resulting in changes in the weighted average cost of capital), industry conditions deteriorate, business conditions or strategies for a specific reporting unit change from current assumptions, our businesses do not perform as projected, or there is an extended period of a significant decline in our stock price, we could incur additional goodwill and indefinite-lived intangible asset impairment charges in the future.

**Pension and Benefit Plans**—Pension and benefit plan expenses are recorded throughout the year based on calculations using actuarial valuations that incorporate estimates and assumptions that depend in part on financial market, economic and demographic conditions, including expected long-term rate of return on assets, discount rate and mortality rates. These assumptions require significant judgment. Actuarial gains and losses, which occur when actual experience differs from our actuarial assumptions, are recognized in the year in which they occur and could have a material impact on our operating results. These gains and losses are measured at least annually at the end of our fiscal year and, as such, are generally recorded during the fourth quarter of each year.

The expected long-term rate of return on assets is based on historical returns and the level of risk premium associated with the asset classes in which the portfolio is invested as well as expectations for the long-term future returns of each asset class. The expected long-term rate of return for each asset class is then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio. The expected return on plan assets is recognized quarterly and determined at the beginning of the year by applying the long-term expected rate of return on assets to the actual fair value of plan assets adjusted for expected benefit payments, contributions and plan expenses. At the end of the year, the fair value of the assets is remeasured and any difference between the actual return on assets and the expected return is recorded in earnings as part of the actuarial gain or loss.

The discount rate is determined based on current market interest rates. It is selected by constructing a hypothetical portfolio of high quality corporate bonds that matches the cash flows from interest payments and principal maturities of the portfolio to the timing of benefit payments to participants. The yield on such a portfolio is the basis for the selected discount rate. Service and interest cost is measured using the discount rate as of the beginning of the year, while the projected benefit obligation is measured using the discount rate as of the end of the year. The impact of the change in the discount rate on our projected benefit obligation is recorded in earnings as part of the actuarial gain or loss.

We revised during each of 2021 and 2020 the mortality assumptions used to determine our benefit obligations based on recently published actuarial mortality tables. These changes in life expectancy resulted in changes to the period for which we expect benefits to be paid. In 2021, the increase in life expectancy increased our benefit obligations and future expense. In 2020, the decrease in life expectancy decreased our benefit obligations and future expense.

We also periodically review and revise, as necessary, other plan assumptions such as rates of compensation increases, retirement and termination based on historical experience and anticipated future management actions. During 2021, we revised these assumptions based on recent trends and our future expectations at that time, which resulted in a decrease to our benefit obligations and future expense.

Actual results could differ from our assumptions, which would require adjustments to our balance sheet and could result in volatility in our future net benefit cost. Holding all other assumptions constant, a 1% change in the assumed rate of return on assets would result in a change to our 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 our 2023 net benefit cost of approximately \$23 million.

Note 12, “Retirement and Benefit Plans,” in the Notes to Consolidated Financial Statements included in Item 8 of this report sets forth certain significant rate assumptions and information regarding our target asset allocation, which are used in performing calculations related to our pension plans.

*Stock-based compensation*—Accounting for stock-based compensation requires measurement of compensation cost for all stock-based awards at fair value on the date of grant and recognition of compensation cost over the requisite service period. We use the Black-Scholes-Merton option pricing model to determine the grant date fair value of our stock options. This model uses assumptions that include the risk-free interest rate, expected volatility, expected dividend yield and expected life of the options. The grant date fair value of restricted stock units is determined based on the quoted price of our common stock on the date of grant. The grant date fair value of our stock options and restricted stock units is recognized as expense over the requisite service period, net of actual forfeitures.

We use the Monte Carlo simulation model to determine the grant date fair value of our contingently issuable performance shares that are subject to market conditions. This model uses assumptions that include the risk-free interest rate, expected volatility and expected dividend yield. The grant date fair value of these awards is recognized as expense ratably over the requisite service period, net of actual forfeitures, regardless of whether the market condition is satisfied. The grant date fair value of contingently issuable performance shares that are not based on market conditions is based on the quoted price of our common stock on the date of grant, reduced for the present value of any dividends expected to be paid on our common stock during the requisite service period, as these contingently issuable performance shares do not accrue dividends. We record expense for these awards over the requisite service period, net of actual forfeitures, based on the grant date fair value and our current expectation of the probable number of shares that will ultimately be issued. Certain contingently issuable performance shares are also subject to a holding period of one year after the vesting date. For such awards, the grant date fair value is discounted for the restriction of liquidity, which is calculated using a model that is deemed appropriate after an evaluation of current market conditions.

When estimating the grant date fair value of stock-based awards, we consider whether an adjustment is required to the closing price or the expected volatility of our common stock on the date of grant when we are in possession of material non-public information. Note 13, “Stock-Based Compensation,” in the Notes to Consolidated Financial Statements included in Item 8 of this report sets forth certain significant assumptions used to determine the fair value of our stock options and contingently issuable performance shares.

#### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Information with respect to Quantitative and Qualitative Disclosures About Market Risk appears under the heading “Market Risk” in Item 7.

#### **Item 8. Financial Statements and Supplementary Data**

See page F-1 of this report for a listing of the consolidated financial statements and supplementary data included in this report.

#### **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

## **Item 9A. Controls and Procedures**

### **Evaluation of Disclosure 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.

### **Management's Report on Internal Control over Financial Reporting**

Management's report on internal control over financial reporting and our independent registered public accounting firm's audit report on our assessment of our internal control over financial reporting can be found on pages F-66 and F-67.

### **Changes in Internal Control over Financial Reporting**

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.

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 of this report.

## **Item 9B. Other Information**

Not applicable.

## **Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

## **PART III**

### **Item 10. Directors, Executive Officers and Corporate Governance**

Information with respect to Directors of the Registrant is incorporated herein by reference to the section entitled “Election of Directors” in our proxy statement for the Annual Meeting of Stockholders to be held on June 22, 2023. Information with respect to our executive officers is contained in the section entitled “Executive Officers of the Registrant” in Part I, Item 1 of this report. Information with respect to the procedure by which security holders may recommend nominees to the PVH Board of Directors and with respect to our Audit & Risk Management Committee, our Audit Committee Financial Expert and our Code of Ethics for the Chief Executive and Senior Financial Officers is incorporated herein by reference to the section entitled “Corporate Governance” in our proxy statement for the Annual Meeting of Stockholders to be held on June 22, 2023.

### **Item 11. Executive Compensation**

Information with respect to Executive Compensation is incorporated herein by reference to the sections entitled “Executive Compensation Tables,” “Compensation Committee Report,” “Compensation Discussion & Analysis,” “Corporate Governance - Committees - Compensation Committee” and “Director Compensation” in our proxy statement for the Annual Meeting of Stockholders to be held on June 22, 2023.

### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

Information with respect to the Security Ownership of Certain Beneficial Owners and Management and Equity Compensation Plan Information is incorporated herein by reference to the sections entitled “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information” in our proxy statement for the Annual Meeting of Stockholders to be held on June 22, 2023.

### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

Information with respect to Certain Relationships and Related Transactions and Director Independence is incorporated herein by reference to the sections entitled “Transactions with Related Persons” and “Election of Directors” in our proxy statement for the Annual Meeting of Stockholders to be held on June 22, 2023.

### **Item 14. Principal Accounting Fees and Services**

Information with respect to Principal Accounting Fees and Services is incorporated herein by reference to the section entitled “Ratification of the Appointment of Auditor” in our proxy statement for the Annual Meeting of Stockholders to be held on June 22, 2023.

## PART IV

### Item 15. Exhibits, Financial Statement Schedules

- (a)(1) See page F-1 for a listing of the consolidated financial statements included in Item 8 of this report.
- (a)(2) See page F-1 for a listing of consolidated financial statement schedules submitted as part of this report.
- (a)(3) The following exhibits are included in this report:

Exhibit Number
-------------------

- |       |  |
|-------|--|
| 3.1   | <a href="#"><u>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).</u></a>   |
| 3.2   | <a href="#"><u>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).</u></a>  |
| 4.1   | <a href="#"><u>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).</u></a>  |
| 4.2   | <a href="#"><u>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).</u></a> |
| 4.3   | <a href="#"><u>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).</u></a>   |
| 4.4   | <a href="#"><u>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).</u></a>   |
| 4.5   | <a href="#"><u>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).</u></a>   |
| 4.6   | <a href="#"><u>Description of Securities (incorporated by reference to Exhibit 4.6 to our Annual Report on Form 10-K for the fiscal year ended February 2, 2020).</u></a>  |
| *10.1 | <a href="#"><u>Phillips-Van Heusen Corporation Capital Accumulation Plan (incorporated by reference to our Current Report on Form 8-K, filed on January 16, 1987); Phillips-Van Heusen Corporation Amendment to Capital Accumulation Plan (incorporated by reference to Exhibit 10(n) to our Annual Report on Form 10-K for the fiscal year ended February 2, 1987); Form of Agreement amending Phillips-Van Heusen Corporation Capital Accumulation Plan with respect to individual participants (incorporated by reference to Exhibit 10(1) to our Annual Report on Form 10-K for the fiscal year ended January 31, 1988); Form of Agreement amending Phillips-Van Heusen Corporation Capital Accumulation Plan with respect to individual participants (incorporated by reference to Exhibit 10.8 to our Quarterly Report on Form 10-Q for the period ended October 29, 1995).</u></a>  |
| *10.2 | <a href="#"><u>Phillips-Van Heusen Corporation Supplemental Defined Benefit Plan, dated January 1, 1991, as amended and restated effective as of January 1, 2005 (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the period ended November 4, 2007).</u></a>   |

- \*10.3 [Phillips-Van Heusen Corporation Supplemental Savings Plan, effective as of January 1, 1991 and amended and restated effective as of January 1, 2005 \(incorporated by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the period ended November 4, 2007\).](#)
- \*10.4 [Third Amended and Restated Employment Agreement, dated as of May 20, 2019, between PVH Corp. and Emanuel Chirico \(incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on May 22, 2019\); Salary reduction consent and waiver, dated as of April 7, 2020, signed by Emanuel Chirico \(incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the period ended May 3, 2020\).](#)
- \*10.5 [PVH Corp. Long-Term Incentive Plan, as amended and restated effective May 2, 2013 \(incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed June 26, 2013\).](#)
- \*10.6 [PVH Corp. Stock Incentive Plan, as amended and restated effective April 30, 2020 \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on June 22, 2020\).](#)
- \*10.7 [PVH Corp. Performance Incentive Bonus Plan, as amended and restated effective April 30, 2020 \(incorporated by reference to Exhibit 10.8 to our Annual Report on Form 10-K for the fiscal year ended January 31, 2021\).](#)
- \*10.8 [Form of Stock Option Agreement for Associates under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on April 11, 2007\); Revised Form of Stock Option Agreement for Associates under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan \(incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the period ended May 6, 2007\).](#)
- \*10.9 [Form of Restricted Stock Unit Agreement for Associates under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan \(incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K, filed on April 11, 2007\); Revised Form of Restricted Stock Unit Agreement for Associates under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan \(incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the period ended May 6, 2007\); Revised Form of Restricted Stock Unit Award Agreement for Employees under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of July 1, 2008 \(incorporated by reference to Exhibit 10.4 to our Quarterly Report on Form 10-Q for the period ended August 3, 2008\); Revised Form of Restricted Stock Unit Award Agreement for Associates under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of September 24, 2008 \(incorporated by reference to Exhibit 10.39 to our Annual Report on Form 10-K for the fiscal year ended February 1, 2009\).](#)
- \*10.10 [Form of Amendment to Outstanding Restricted Stock Unit Award Agreements with Associates under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, dated November 19, 2008 \(incorporated by reference to Exhibit 10.40 to our Annual Report on Form 10-K for the fiscal year ended February 1, 2009\).](#)
- \*10.11 [Form of Performance Share Award Agreement under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on May 8, 2007\); Revised Form of Performance Share Award Agreement under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of April 30, 2008 \(incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the period ended May 4, 2008\); Revised Form of Performance Share Award Agreement under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of December 16, 2008 \(incorporated by reference to Exhibit 10.42 to our Annual Report on Form 10-K for the fiscal year ended February 1, 2009\); Revised Form of Performance Share Award Agreement under the PVH Corp. 2006 Stock Incentive Plan, effective as of April 25, 2012 \(incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the period ended April 29, 2012\); Alternative Form of Performance Share Unit Award Agreement under the PVH Corp. 2006 Stock Incentive Plan, effective as of May 1, 2013 \(incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the period ended May 5, 2013\).](#)
- \*10.12 [Revised Form of Restricted Stock Unit Award Agreement for Directors under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of July 1, 2008 \(incorporated by reference to Exhibit 10.5 to our Quarterly Report on Form 10-Q for the period ended August 3, 2008\); Revised Form of Restricted Stock Unit Award Agreement for Directors under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of September 24, 2008 \(incorporated by reference to Exhibit 10.45 to our Annual Report on Form 10-K for the fiscal year ended February 1, 2009\); Revised Form of Restricted Stock Unit Award Agreement for Directors under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, effective as of June 24, 2010 \(incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the period ended August 1, 2010\).](#)
- \*10.13 [Form of Amendment to Outstanding Restricted Stock Unit Award Agreements with Directors under the Phillips-Van Heusen Corporation 2006 Stock Incentive Plan, dated November 19, 2008 \(incorporated by reference to Exhibit 10.46 to our Annual Report on Form 10-K for the fiscal year ended February 1, 2009\).](#)

- 10.14 [Credit and Guaranty Agreement, dated as of April 29, 2019, among PVH Corp., PVH Asia Limited, PVH B.V., certain subsidiaries of PVH Corp., Barclays Bank PLC as Administrative Agent, Joint Lead Arranger and Joint Lead Bookrunner, Citibank, N.A. as Syndication Agent, Joint Lead Arranger and Joint Lead Bookrunner, Merrill Lynch, Pierce, Fenner & Smith Incorporated as Syndication Agent, Joint Lead Arranger and Joint Lead Bookrunner, JPMorgan Chase Bank, N.A. as Documentation Agent, Joint Lead Arranger and Joint Lead Bookrunner, Royal Bank of Canada as Documentation Agent, MUFG Securities Americas Inc. as Documentation Agent, US Bancorp as Documentation Agent, Wells Fargo Securities, LLC as Documentation Agent and RBC Capital Markets, LLC as Joint Lead Arranger and Joint Lead Bookrunner \(incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the period ended May 5, 2019\), First Amendment to Credit Agreement, dated as of June 3, 2020, entered into by and among PVH Corp., PVH Asia Limited, PVH B.V., each Lender party thereto and Barclays Bank PLC as administrative agent \(incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the period ended August 2, 2020\), Second Amendment to Credit Agreement, dated as of April 28, 2021, entered into by and among PVH Corp., PVH Asia Limited, PVH B.V., each Lender party thereto and Barclays Bank PLC as administrative agent \(incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q for the period ended May 2, 2021\).](#)
- \*10.15 [Schedule of Non-Management Directors' Fees, effective June 20, 2019 \(incorporated by reference to Exhibit 10.21 to our Annual Report on Form 10-K for the fiscal year ended February 2, 2020\).](#)
- \*10.16 [Schedule of Non-Management Director Fees, effective June 16, 2022 \(incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q for the period ended July 31, 2022\).](#)
- \*10.17 [Employment Agreement, effective as of June 3, 2019, between PVH Corp. and Stefan Larsson \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on May 22, 2019\), First Amendment to Employment Agreement, dated as of January 27, 2021, between PVH Corp. and Stefan Larsson \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on February 1, 2021\).](#)
- \*10.18 [Form of salary reduction consent and waiver signed by Stefan Larsson \(on April 7, 2020\) \(incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q for the period ended May 3, 2020\).](#)
- \*10.19 [Employment Agreement, dated as of June 2, 2020, between PVH B.V. and Martijn Hagman \(incorporated by reference to Exhibit 10.25 to our Annual Report on Form 10-K for the fiscal year ended January 31, 2021\).](#)
- \*10.20 [Employment Agreement, effective as of November 1, 2019, between PVH Corp. and James Holmes \(incorporated by reference to Exhibit 10.27 to our Annual Report on Form 10-K for the fiscal year ended January 30, 2022\), Salary reduction consent and waiver, dated as of April 9, 2020, signed by James Holmes \(incorporated by reference to Exhibit 10.28 to our Annual Report on Form 10-K for the fiscal year ended January 30, 2022\).](#)
- \*10.21 [Employment Agreement, effective as of September 28, 2020, between PVH Corp. and Julie Fuller \(incorporated by reference to Exhibit 10.29 to our Annual Report on Form 10-K for the fiscal year ended January 30, 2022\).](#)
- \*10.22 [Employment Agreement, effective as of February 16, 2021, between PVH Corp. and Patricia Donnelly Davidson \(incorporated by reference to Exhibit 10.30 to our Annual Report on Form 10-K for the fiscal year ended January 30, 2022\).](#)
- \*10.23 [Employment Agreement, dated as of February 7, 2022, between PVH Corp. and Zac Coughlin \(incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K, filed on February 9, 2022\).](#)
- \*,+10.24 [Employment Agreement, effective as of November 1, 2019, between PVH Corp. and Mark D. Fischer.](#)
- +10.25 [Credit Agreement, dated as of December 9, 2022, among PVH Corp., certain subsidiaries of PVH Corp., Barclays Bank PLC as Administrative Agent, Joint Lead Arranger and Joint Lead Bookrunner, Citibank, N.A. as Syndication Agent, Joint Lead Arranger and Joint Lead Bookrunner, BOFA Securities, Inc. as Documentation Agent, Joint Lead Arranger and Joint Lead Bookrunner, Truist Bank as Documentation Agent, Bank of China, New York Branch, as Documentation Agent, BNP Paribas as Documentation Agent, DBS Bank LTD. as Documentation Agent, Citizens Bank, N.A. as Documentation Agent, HSBC Bank USA, National Association as Documentation Agent, Standard Chartered Bank as Documentation Agent, The Bank of Nova Scotia as Documentation Agent, U.S. Bank National Association as Documentation Agent, JPMorgan Chase Bank, N.A. as Joint Lead Arranger and Joint Lead Bookrunner, and Truist Securities, Inc. as Joint Lead Arranger and Joint Lead Bookrunner.](#)
- +21 [PVH Corp. Subsidiaries.](#)
- +23 [Consent of Independent Registered Public Accounting Firm.](#)
- +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)

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+ Filed or furnished herewith.

\* Management contract or compensatory plan or arrangement required to be identified pursuant to Item 15(a)(3) of this report.

**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.**

(b) Exhibits: See (a)(3) above for a listing of the exhibits included as part of this report.

(c) Financial Statement Schedules: See page F-1 for a listing of the consolidated financial statement schedules submitted as part of this report.



**Item 16. Form 10-K Summary**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Dated: March 28, 2023

PVH CORP.

By: /s/ STEFAN LARSSON  
Stefan Larsson  
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ STEFAN LARSSON</u> Stefan Larsson	Director and Chief Executive Officer (Principal Executive Officer)	March 28, 2023
<u>/s/ ZACHARY COUGHLIN</u> Zachary Coughlin	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 28, 2023
<u>/s/ JAMES W. HOLMES</u> James W. Holmes	Executive Vice President and Controller (Principal Accounting Officer)	March 28, 2023
<u>/s/ MICHAEL CALBERT</u> Michael Calbert	Chairman (Director)	March 28, 2023
<u>/s/ AJAY BHALLA</u> Ajay Bhalla	Director	March 28, 2023
<u>/s/ BRENT CALLINICOS</u> Brent Callinicos	Director	March 28, 2023
<u>/s/ GEORGE CHEEKS</u> George Cheeks	Director	March 28, 2023
<u>/s/ JOSEPH B. FULLER</u> Joseph B. Fuller	Director	March 28, 2023
<u>/s/ JUDITH AMANDA SOURRY KNOX</u> Judith Amanda Sourry Knox	Director	March 28, 2023
<u>/s/ V. JAMES MARINO</u> V. James Marino	Director	March 28, 2023
<u>/s/ GERALDINE (PENNY) MCINTYRE</u> Geraldine (Penny) McIntyre	Director	March 28, 2023
<u>/s/ AMY MCPHERSON</u> Amy McPherson	Director	March 28, 2023
<u>/s/ ALLISON PETERSON</u> Allison Peterson	Director	March 28, 2023
<u>/s/ EDWARD R. ROSENFELD</u> Edward R. Rosenfeld	Director	March 28, 2023

PVH CORP.

INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE

15(a)(1) The following consolidated financial statements and supplementary data are included in Item 8 of this report:

<a href="#"><u>Consolidated Statements of Operations—Years Ended January 29, 2023, January 30, 2022 and January 31, 2021</u></a>	<a href="#"><u>F-2</u></a>
<a href="#"><u>Consolidated Statements of Comprehensive Income (Loss)—Years Ended January 29, 2023, January 30, 2022 and January 31, 2021</u></a>	<a href="#"><u>F-3</u></a>
<a href="#"><u>Consolidated Balance Sheets—January 29, 2023 and January 30, 2022</u></a>	<a href="#"><u>F-4</u></a>
<a href="#"><u>Consolidated Statements of Cash Flows—Years Ended January 29, 2023, January 30, 2022 and January 31, 2021</u></a>	<a href="#"><u>F-5</u></a>
<a href="#"><u>Consolidated Statements of Changes in Stockholders' Equity and Redeemable Non-Controlling Interest—Years Ended January 29, 2023, January 30, 2022 and January 31, 2021</u></a>	<a href="#"><u>F-6</u></a>
<a href="#"><u>Notes to Consolidated Financial Statements</u></a>	<a href="#"><u>F-7</u></a>
<a href="#"><u>Management's Report on Internal Control Over Financial Reporting</u></a>	<a href="#"><u>F-66</u></a>
<a href="#"><u>Reports of Independent Registered Public Accounting Firm (PCAOB ID: 42)</u></a>	<a href="#"><u>F-67</u></a>

15(a)(2) The following consolidated financial statement schedule is included herein:

<a href="#"><u>Schedule II - Valuation and Qualifying Accounts</u></a>	<a href="#"><u>F-70</u></a>
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All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and therefore have been omitted.

**PVH CORP.**

**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In millions, except per share data)

	2022	2021	2020
Net sales	\$ 8,544.9	\$ 8,723.7	\$ 6,798.7
Royalty revenue	372.0	340.1	260.4
Advertising and other revenue	107.3	90.9	73.5
Total revenue	9,024.2	9,154.7	7,132.6
Cost of goods sold (exclusive of depreciation and amortization)	3,901.3	3,830.6	3,355.8
Gross profit	5,122.9	5,324.1	3,776.8
Selling, general and administrative expenses	4,377.4	4,453.9	3,983.2
Goodwill and other intangible asset impairments	417.1	—	933.5
Non-service related pension and postretirement income	(91.9)	(64.1)	(75.9)
Other (gain) loss, net	—	(118.9)	3.1
Equity in net income (loss) of unconsolidated affiliates	50.4	23.7	(4.6)
Income (loss) before interest and taxes	470.7	1,076.9	(1,071.7)
Interest expense	89.6	108.6	125.5
Interest income	7.1	4.4	4.2
Income (loss) before taxes	388.2	972.7	(1,193.0)
Income tax expense (benefit)	187.8	20.7	(55.5)
Net income (loss)	200.4	952.0	(1,137.5)
Less: Net loss attributable to redeemable non-controlling interest	—	(0.3)	(1.4)
Net income (loss) attributable to PVH Corp.	\$ 200.4	\$ 952.3	\$ (1,136.1)
Basic net income (loss) per common share attributable to PVH Corp.	\$ 3.05	\$ 13.45	\$ (15.96)
Diluted net income (loss) per common share attributable to PVH Corp.	\$ 3.03	\$ 13.25	\$ (15.96)

See notes to consolidated financial statements.

**PVH CORP.**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(In millions)

	2022	2021	2020
Net income (loss)	\$ 200.4	\$ 952.0	\$ (1,137.5)
Other comprehensive (loss) income:			
Foreign currency translation adjustments	(68.3)	(268.1)	278.5
Net unrealized and realized (loss) gain related to effective cash flow hedges, net of tax (benefit) expense of \$(19.7), \$25.0 and \$(5.6)	(56.2)	90.7	(63.1)
Net gain (loss) on net investment hedges, net of tax expense (benefit) of \$6.3, \$27.5 and \$(30.6)	24.1	83.8	(94.4)
Total other comprehensive (loss) income	(100.4)	(93.6)	121.0
Comprehensive income (loss)	100.0	858.4	(1,016.5)
Less: Comprehensive loss attributable to redeemable non-controlling interest	—	(0.3)	(1.4)
Comprehensive income (loss) attributable to PVH Corp.	\$ 100.0	\$ 858.7	\$ (1,015.1)

See notes to consolidated financial statements.

**PVH CORP.**

**CONSOLIDATED BALANCE SHEETS**  
(In millions, except share and per share data)

	January 29, 2023	January 30, 2022
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 550.7	\$ 1,242.5
Trade receivables, net of allowances for credit losses of \$42.6 and \$61.9	923.7	745.2
Other receivables	21.5	20.1
Inventories, net	1,802.6	1,348.5
Prepaid expenses	209.2	169.0
Other	72.7	128.4
<b>Total Current Assets</b>	<b>3,580.4</b>	<b>3,653.7</b>
Property, Plant and Equipment, net	904.0	906.1
Operating Lease Right-of-Use Assets	1,295.7	1,349.0
Goodwill	2,359.0	2,828.9
Tradenames	2,701.1	2,722.9
Other Intangibles, net	548.8	584.1
Other Assets, including deferred taxes of \$33.8 and \$46.1	379.3	352.1
<b>Total Assets</b>	<b>\$ 11,768.3</b>	<b>\$ 12,396.8</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 1,327.4	\$ 1,220.8
Accrued expenses	874.0	1,100.8
Deferred revenue	54.3	44.9
Current portion of operating lease liabilities	353.7	375.4
Short-term borrowings	46.2	10.8
Current portion of long-term debt	111.9	34.8
<b>Total Current Liabilities</b>	<b>2,767.5</b>	<b>2,787.5</b>
Long-Term Portion of Operating Lease Liabilities	1,140.0	1,214.4
Long-Term Debt	2,177.0	2,317.6
Other Liabilities, including deferred taxes of \$357.5 and \$373.9	671.1	788.5
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; 87,641,611 and 87,107,155 shares issued	87.6	87.1
Additional paid-in capital – common stock	3,244.5	3,198.4
Retained earnings	4,753.1	4,562.8
Accumulated other comprehensive loss	(713.1)	(612.7)
Less: 24,932,374 and 18,572,482 shares of common stock held in treasury, at cost	(2,359.4)	(1,946.8)
<b>Total Stockholders' Equity</b>	<b>5,012.7</b>	<b>5,288.8</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 11,768.3</b>	<b>\$ 12,396.8</b>

See notes to consolidated financial statements.

PVH CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In millions)

	2022	2021	2020
OPERATING ACTIVITIES <sup>(1)</sup>			
Net income (loss)	\$ 200.4	\$ 952.0	\$ (1,137.5)
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation and amortization	301.5	313.3	325.8
Equity in net (income) loss of unconsolidated affiliates	(50.4)	(23.7)	4.6
Deferred taxes <sup>(2)</sup>	9.8	(64.9)	(144.7)
Stock-based compensation expense	46.6	46.8	50.5
Impairment of goodwill and other intangible assets	417.1	—	933.5
Impairment of other long-lived assets	51.7	47.0	81.9
Actuarial gain on retirement and benefit plans	(78.4)	(48.7)	(64.5)
Other (gain) loss, net	—	(118.9)	3.1
Changes in operating assets and liabilities:			
Trade receivables, net	(188.5)	(138.1)	138.4
Other receivables	(1.3)	4.1	1.2
Inventories, net	(466.9)	(33.9)	283.3
Accounts payable, accrued expenses and deferred revenue	(62.6)	260.7	140.9
Prepaid expenses	(41.9)	(20.7)	7.9
Other, net	(97.9)	(103.8)	73.3
Net cash provided by operating activities	39.2	1,071.2	697.7
INVESTING ACTIVITIES <sup>(3)</sup>			
Purchases of property, plant and equipment	(290.1)	(267.9)	(226.6)
Investments in unconsolidated affiliates	—	—	(1.6)
Proceeds from sale of the Speedo North America business	—	—	169.1
Proceeds from sale of certain Heritage Brands trademarks and other assets	—	222.9	—
Proceeds from sale of Karl Lagerfeld investment	19.1	—	—
Purchases of investments held in rabbi trust	(8.6)	—	—
Proceeds from investments held in rabbi trust	1.4	—	—
Net cash used by investing activities	(278.2)	(45.0)	(59.1)
FINANCING ACTIVITIES <sup>(1)(3)</sup>			
Net proceeds from (payments on) short-term borrowings	36.6	10.5	(53.6)
Proceeds from 4 5/8% senior notes, net of related fees	—	—	493.8
Proceeds from 3 5/8% senior notes, net of related fees	—	—	185.9
Proceeds from 2022 facilities, net of related fees	456.4	—	—
Repayment of 2019 facilities	(487.8)	(1,051.3)	(14.4)
Net proceeds from settlement of awards under stock plans	—	26.7	3.9
Cash dividends	(10.1)	(2.7)	(2.7)
Acquisition of treasury shares	(418.6)	(361.3)	(117.3)
Payments of finance lease liabilities	(4.7)	(5.2)	(5.5)
Payment of mandatorily redeemable non-controlling interest liability attributable to initial fair value	—	(15.2)	(12.7)
Net cash (used) provided by financing activities	(428.2)	(1,398.5)	477.4
Effect of exchange rate changes on cash and cash equivalents	(24.6)	(36.6)	32.0
(Decrease) increase in cash and cash equivalents	(691.8)	(408.9)	1,148.0
Cash and cash equivalents at beginning of year	1,242.5	1,651.4	503.4
Cash and cash equivalents at end of year	\$ 550.7	\$ 1,242.5	\$ 1,651.4

<sup>(1)</sup> Please see Note 16 for lease related cash flow information.

<sup>(2)</sup> Please see Note 9 for information on deferred taxes.

<sup>(3)</sup> Please see Note 19 for information on noncash investing and financing transactions.

See notes to consolidated financial statements.

PVH CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY AND REDEEMABLE NON-CONTROLLING INTEREST  
(In millions, except share and per share data)

	Stockholders' Equity								
	Redeemable Non-Controlling Interest	Preferred Stock	Common Stock		Additional Paid-In Capital- Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
			Shares	\$1 par Value					
February 2, 2020	\$ (2.0)	\$ —	85,890,276	\$ 85.9	\$ 3,075.4	\$ 4,753.0	\$ (640.1)	\$ (1,462.7)	\$ 5,811.5
Net loss attributable to PVH Corp.						(1,136.1)			(1,136.1)
Foreign currency translation adjustments							278.5		278.5
Net unrealized and realized loss related to effective cash flow hedges, net of tax benefit of \$5.6							(63.1)		(63.1)
Net loss on net investment hedges, net of tax benefit of \$30.6							(94.4)		(94.4)
Comprehensive loss attributable to PVH Corp.									(1,015.1)
Cumulative-effect adjustment related to the adoption of accounting guidance for credit losses						(1.0)			(1.0)
Settlement of awards under stock plans			402,882	0.4	3.5				3.9
Stock-based compensation expense					50.5				50.5
Dividends declared (\$0.0375 per common share)						(2.7)			(2.7)
Acquisition of 1,536,550 treasury shares								(116.8)	(116.8)
Net loss attributable to redeemable non-controlling interest	(1.4)								
January 31, 2021	(3.4)	—	86,293,158	86.3	3,129.4	3,613.2	(519.1)	(1,579.5)	4,730.3
Net income attributable to PVH Corp.						952.3			952.3
Foreign currency translation adjustments							(268.1)		(268.1)
Net unrealized and realized gain related to effective cash flow hedges, net of tax expense of \$25.0							90.7		90.7
Net gain on net investment hedges, net of tax expense of \$27.5							83.8		83.8
Comprehensive income attributable to PVH Corp.									858.7
Settlement of awards under stock plans			813,997	0.8	25.9				26.7
Stock-based compensation expense					46.8				46.8
Dividends declared (\$0.0375 per common share)						(2.7)			(2.7)
Acquisition of 3,438,819 treasury shares								(367.3)	(367.3)
Net loss attributable to redeemable non-controlling interest	(0.3)								
Change in the economic interests of redeemable non-controlling interest	3.7				(3.7)				(3.7)
January 30, 2022	—	—	87,107,155	87.1	3,198.4	4,562.8	(612.7)	(1,946.8)	5,288.8
Net income attributable to PVH Corp.						200.4			200.4
Foreign currency translation adjustments							(68.3)		(68.3)
Net unrealized and realized loss related to effective cash flow hedges, net of tax benefit of \$19.7							(56.2)		(56.2)
Net gain on net investment hedges, net of tax expense of \$6.3							24.1		24.1
Comprehensive income attributable to PVH Corp.									100.0
Settlement of awards under stock plans			534,456	0.5	(0.5)				—
Stock-based compensation expense					46.6				46.6
Dividends declared (\$0.15 per common share)						(10.1)			(10.1)
Acquisition of 6,359,892 treasury shares								(412.6)	(412.6)
January 29, 2023	\$ —	\$ —	87,641,611	\$ 87.6	\$ 3,244.5	\$ 4,753.1	\$ (713.1)	\$ (2,359.4)	\$ 5,012.7

See notes to consolidated financial statements.



PVH CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Description of Business* — PVH Corp. and its consolidated subsidiaries (collectively, the “Company”) constitute a global apparel company with a brand portfolio that includes TOMMY HILFIER, Calvin Klein, Warner’s, Olga, and True&Co., which are owned, Van Heusen, IZOD, ARROW, and Geoffrey Beene, which the Company owned through the second quarter of 2021 and now licenses back 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, neckwear, 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 Company entered into a definitive agreement during the second quarter of 2021 to sell certain of its heritage brands trademarks, including Van Heusen, IZOD, ARROW and Geoffrey Beene, as well as certain related inventories of its Heritage Brands business, to Authentic Brands Group (“ABG”) and other parties (the “Heritage Brands transaction”). The Company completed the sale on the first day of the third quarter of 2021. Please see Note 3, “Acquisitions and Divestitures,” for further discussion.

The Company also licensed Speedo for North America and the Caribbean until April 6, 2020, on which date the Company sold its Speedo North America business to Pentland Group PLC (“Pentland”), the parent company of the Speedo brand (the “Speedo transaction”). Upon the closing of the transaction, the Company deconsolidated the net assets of the Speedo North America business and no longer licensed the Speedo trademark. Please see Note 3, “Acquisitions and Divestitures,” for further discussion.

*Principles of Consolidation* — The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) and 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 5, “Investments in Unconsolidated Affiliates,” for further discussion. The Company and Arvind Limited (“Arvind”) formed a joint venture in Ethiopia (“PVH Ethiopia”), in which the Company held an initial economic interest of 75%, with Arvind’s 25% interest accounted for as a redeemable non-controlling interest (“RNCI”). The Company consolidated the results of PVH Ethiopia in its consolidated financial statements. The Company closed in the fourth quarter of 2021 the manufacturing facility that was PVH Ethiopia’s sole operation. The closure did not have a material impact on the Company’s consolidated financial statements. Please see Note 6, “Redeemable Non-Controlling Interest,” for further discussion.

*Fiscal Year* — The Company uses a 52-53 week fiscal year ending on the Sunday closest to February 1. References to a year are to the Company’s fiscal year, unless the context requires otherwise. Results for 2022, 2021 and 2020 represent the 52 weeks ended January 29, 2023, January 30, 2022 and January 31, 2021, respectively.

*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 were impacted during 2022, which resulted in a reduction in shipments to these customers and canceled orders. Approximately 2% of the Company’s revenue in 2021 was generated in Russia, Belarus and Ukraine. The war also has led to broader macroeconomic implications, 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.

The Company assessed the impacts of the war in Ukraine on the estimates and assumptions used in preparing these consolidated financial statements, including, but not limited to, the allowance for credit losses, inventory reserves, and carrying values of long-lived assets. Based on these assessments, the Company recorded pre-tax noncash impairment charges related to long-lived assets of \$43.6 million during 2022. Please see Note 11, “Fair Value Measurements,” for further discussion of the impairments.

There is significant 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 in 2023.

*COVID-19 Pandemic* — The COVID-19 pandemic has had a significant impact on the Company’s business, results of operations, financial condition and cash flows from operations.

- Virtually all of the Company’s stores were temporarily closed for varying periods of time throughout the first quarter and into the second quarter of 2020. Most stores reopened in June 2020 but operated at significantly reduced capacity. The Company’s stores in Europe and North America continued to face significant pressure throughout 2020 as a result of the pandemic, with the majority of its stores in Europe and Canada closed during the fourth quarter.
- The Company’s stores continued to be impacted during 2021 by the pandemic, including temporary closures of its stores in Europe, Canada, Japan, Australia and China for varying periods. Further, a significant percentage of the Company’s stores globally were operating on reduced hours during the fourth quarter of 2021 as a result of increased levels of associate absenteeism due to the pandemic.
- COVID-related pressures continued into 2022, although to a much lesser extent than in 2021 in all regions except China. Strict lockdowns in China resulted in extensive temporary store closures and significant reductions in consumer traffic and purchasing, as well as have 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 have historically represented a significant portion of this business.

The Company’s brick and mortar wholesale customers and its licensing partners also have experienced significant business disruptions as a result of the pandemic, with several of the Company’s North America wholesale customers filing for bankruptcy in 2020. The Company’s wholesale customers and franchisees globally generally have experienced temporary store closures and operating restrictions and obstacles in the same countries and at the same times as the Company.

In addition, the pandemic has 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, beginning in the third quarter of 2021. These impacts significantly improved in the second half of 2022.

The Company assessed the impacts of the pandemic on the estimates and assumptions used in preparing these consolidated financial statements, including, but not limited to, the allowance for credit losses, inventory reserves, carrying values of goodwill, intangible assets and other long-lived assets, and the effectiveness of hedging instruments. Based on these assessments, the Company recorded pre-tax noncash impairment charges of \$1.021 billion during 2020, including \$879.0 million related to goodwill, \$54.5 million related to other intangible assets, \$74.7 million related to store assets and \$12.3 million related to an equity method investment. Please see Note 7, “Goodwill and Other Intangible Assets,” for further discussion of the impairments related to goodwill and other intangible assets, Note 11, “Fair Value Measurements,” for further discussion of the impairments related to store assets and Note 5, “Investments in Unconsolidated Affiliates,” for further discussion of the impairment related to an equity method investment.

*Use of Estimates* — The preparation of the consolidated 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 the estimates due to risks and uncertainties, including the impacts of inflationary pressures globally and the war in Ukraine and its broader macroeconomic implications, on the Company’s business.

*Cash and Cash Equivalents* — The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash equivalents also includes amounts due from third party credit card processors for the settlement of customer debit and credit card transactions that are collectible in one week or less. The Company’s cash and cash equivalents at January 29, 2023 consisted principally of bank deposits and investments in money market funds.

*Accounts Receivable* — Trade receivables, as presented in the Company’s Consolidated Balance Sheets, are net of allowances. Costs associated with allowable customer markdowns and operational chargebacks, net of the expected recoveries, are part of the provision for allowances included in accounts receivable. These provisions result from seasonal negotiations, historical experience, and an evaluation of current market conditions.

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 collectability 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. As of January 29, 2023 and January 30, 2022, the allowance for credit losses on trade receivables was \$42.6 million and \$61.9 million, respectively.

*Goodwill and Other Intangible Assets* — The Company assesses the recoverability of goodwill 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. A reporting unit is defined as an operating segment or one level below the operating segment, called a component. However, two or more components of an operating segment will be aggregated and deemed a single reporting unit if the components have similar economic characteristics.

The Company assesses qualitative factors to determine whether it is necessary to perform a more detailed quantitative goodwill impairment test. The Company may elect to bypass the qualitative assessment and proceed directly to the quantitative test for any reporting unit. When performing the quantitative test, an impairment loss is recognized if the carrying amount of the reporting unit, including goodwill, exceeds its fair value (the fair value of a reporting unit is estimated using a discounted cash flow model). The impairment loss recognized is equal to the amount by which the carrying amount exceeds the fair value, but is limited to the total amount of goodwill allocated to that reporting unit.

The Company recorded pre-tax noncash goodwill impairment charges of \$417.1 million in the third quarter of 2022 as a result of its annual goodwill impairment test. The impairment charge was included in goodwill and other intangible asset impairments in the Company’s Consolidated Statement of Operations. The impairment was non-operational and driven by a significant increase in discount rates, as a result of the then-current economic conditions. Please see Note 7, “Goodwill and Other Intangible Assets,” for further discussion.

The Company determined in the first quarter of 2020 that the significant adverse impact of the COVID-19 pandemic on the Company’s business, including an unprecedented material decline in revenue and earnings and an extended decline in the Company’s stock price and associated market capitalization, was a triggering event that required the Company to perform a quantitative interim goodwill impairment test. The Company recorded \$879.0 million of noncash goodwill impairment charges in 2020, which was included in goodwill and other intangible asset impairments in the Company’s Consolidated Statement of Operations. Please see Note 7, “Goodwill and Other Intangible Assets,” for further discussion.

The Company did not record any goodwill impairments in 2021.

Indefinite-lived intangible assets not subject to amortization are tested for impairment 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. Indefinite-lived intangible assets and intangible assets with finite lives are tested for impairment prior to assessing the recoverability of goodwill. The Company assesses qualitative factors to determine whether it is necessary to perform a more detailed quantitative impairment test for its indefinite-lived intangible assets. The Company may elect to bypass the qualitative assessment and proceed directly to the quantitative impairment test. When performing the quantitative test, an impairment loss is recognized if the carrying amount of the asset exceeds the fair value of the asset, which is generally determined using the estimated discounted cash flows associated with the asset’s use. Intangible assets with finite lives are amortized over their estimated useful lives and are tested for impairment along with other long-lived assets when events and circumstances indicate that the assets might be impaired.

The Company also determined in the first quarter of 2020 that the impact of the COVID-19 pandemic on its business was a triggering event that prompted the need to perform interim impairment testing of its intangible assets. The Company recorded \$47.2 million of noncash impairment charges related to indefinite-lived intangible assets and \$7.3 million of noncash impairment charges related to finite-lived intangible assets in 2020, which were included in goodwill and other intangible asset

impairments in the Company's Consolidated Statement of Operations. The Company did not record any intangible asset impairments in 2022 or 2021. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

*Asset Impairments* — The Company reviews for impairment of long-lived assets (excluding goodwill and other indefinite-lived intangible assets) when events and circumstances indicate that the assets might be impaired. The Company records an impairment loss when the carrying amount of the asset is not recoverable and exceeds its fair value. Please see Note 11, "Fair Value Measurements," for further discussion.

*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.

*Property, Plant and Equipment* — Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is generally provided over the estimated useful lives of the related assets on a straight-line basis. The range of useful lives is principally as follows: Buildings and building improvements — 15 to 40 years; machinery, software and equipment — 2 to 10 years; furniture and fixtures — 2 to 10 years; and fixtures located in shop-in-shop/concession locations and their related costs — 3 to 4 years. Leasehold improvements are depreciated using the straight-line method over the lesser of the term of the related lease or the estimated useful life of the asset. Major additions and improvements that extend the useful life of the asset are capitalized, and repairs and maintenance are charged to operations in the period incurred. Depreciation expense totaled \$255.4 million, \$266.6 million and \$280.8 million in 2022, 2021 and 2020, respectively.

*Cloud Computing Arrangements* — The Company incurs costs to implement cloud computing arrangements that are hosted by a third party vendor. Implementation costs incurred during the application development stage of a project are capitalized and amortized over the term of the hosting arrangement on a straight-line basis. The Company capitalized \$30.1 million and \$18.0 million of costs incurred in 2022 and 2021, respectively, to implement cloud computing arrangements, primarily related to digital and consumer data platforms. Amortization expense relating to cloud computing arrangements totaled \$10.6 million, \$6.2 million and \$4.4 million in 2022, 2021 and 2020, respectively. Cloud computing costs of \$51.5 million and \$32.7 million were included in prepaid expenses and other assets in the Company's Consolidated Balance Sheets as of January 29, 2023 and January 30, 2022, respectively.

*Leases* — The Company leases approximately 1,500 Company-operated free-standing retail store locations across more than 35 countries, generally with initial lease terms of three to ten years. The Company also leases warehouses, distribution centers, showrooms and office space, generally with initial lease terms of ten to 20 years, as well as certain equipment and other assets, generally with initial lease terms of one to five years.

The Company recognizes right-of-use assets and lease liabilities at the lease commencement date based on the present value of fixed lease payments over the expected lease term. The Company uses its incremental borrowing rates to determine the present value of fixed lease payments based on the information available at the lease commencement date, as the rate implicit in the lease is not readily determinable for the Company's leases. The Company's incremental borrowing rates are based on the term of the lease, the economic environment of the lease, and the effect of collateralization. Certain leases include one or more renewal options, generally for the same period as the initial term of the lease. The exercise of lease renewal options is generally at the Company's sole discretion and, as such, the Company typically determines that exercise of these renewal options is not reasonably certain until executed. As a result, the Company does not include the renewal option period in the expected lease term and the associated lease payments are not included in the measurement of the right-of-use asset and lease liability. Certain leases also contain termination options with an associated penalty. Generally, the Company is reasonably certain not to exercise these options and as such, they are not included in the determination of the expected lease term.

Operating leases are included in operating lease right-of-use assets, current portion of operating lease liabilities and long-term portion of operating lease liabilities in the Company's Consolidated Balance Sheets. The Company recognizes operating lease expense on a straight-line basis over the lease term. Finance leases are included in property, plant and equipment, net, accrued expenses and other liabilities in the Company's Consolidated Balance Sheets. Leases with an initial lease term of 12 months or less are not recorded on the balance sheet. The Company recognizes lease expense for these leases on a straight-line basis over the lease term.

Leases generally provide for payments of nonlease components, such as common area maintenance, real estate taxes and other costs associated with the leased property. For lease agreements entered into or modified after February 3, 2019, the Company accounts for lease components and nonlease components together as a single lease component and, as such, includes fixed payments of nonlease components in the measurement of the right-of-use assets and lease liabilities. Variable lease payments, such as percentage rentals based on location sales, periodic adjustments for inflation, reimbursement of real estate taxes, any variable common area maintenance and any other variable costs associated with the leased property are expensed as incurred as variable lease costs and are not recorded on the Company's Consolidated Balance Sheets. The Company's lease agreements do not contain any material residual value guarantees or material restrictions or covenants. Please see Note 16, "Leases," for further discussion.

*Revenue Recognition* — 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. Please see Note 2, "Revenue," for further discussion.

*Cost of Goods Sold and Selling, General and Administrative Expenses* — Costs associated with the production and procurement of product are included in cost of goods sold, including inbound freight costs, purchasing and receiving costs, inspection costs and other product procurement related charges, as well as the amounts recognized on foreign currency forward exchange contracts as the underlying inventory hedged by such forward exchange contracts is sold. Generally, all other expenses, excluding non-service related pension and post retirement (income) costs, interest expense (income) and income taxes, are included in selling, general and administrative ("SG&A") expenses, including warehousing and distribution expenses, as the predominant expenses associated therewith are general and administrative in nature, including rent, utilities, payroll and depreciation and amortization. Warehousing and distribution expenses, which are subject to exchange rate fluctuations, totaled \$357.9 million, \$332.4 million and \$288.9 million in 2022, 2021 and 2020, respectively.

*Shipping and Handling Fees* — Shipping and handling fees that are billed to customers are included in net sales. Shipping and handling costs incurred by the Company are accounted for as fulfillment activities and are recorded in SG&A expenses.

*Advertising* — Advertising costs are expensed as incurred and are included in SG&A expenses. Advertising expenses, which are subject to exchange rate fluctuations, totaled \$492.1 million, \$535.8 million and \$379.0 million in 2022, 2021 and 2020, respectively. Prepaid advertising expenses recorded in prepaid expenses and other assets totaled \$2.0 million and \$5.2 million at January 29, 2023 and January 30, 2022, respectively. Costs associated with cooperative advertising programs, under which the Company shares the cost of a customer's advertising expenditures, are treated as a reduction of revenue.

*Sales Taxes* — The Company accounts for sales taxes and other related taxes on a net basis, excluding such taxes from revenue.

*Income Taxes* — Deferred tax assets and liabilities are recognized for temporary differences between the tax bases of assets and liabilities and their reported amounts in the consolidated financial statements. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts more likely than not to be realized.

Significant judgment is required in assessing the timing and amount of deductible and taxable items, evaluating tax positions and determining the income tax provision. The Company recognizes income tax benefits only when it is more likely than not that the tax position will be fully sustained upon review by taxing authorities, including resolution of related appeals or litigation processes, if any. If the recognition threshold is met, the Company measures the tax benefit at the largest amount with a greater than 50 percent likelihood of being realized upon ultimate settlement. For tax positions that are 50 percent or less likely of being sustained upon audit, the Company does not recognize any portion of that benefit in the financial statements. When the outcome of these tax matters changes, the change in estimate impacts the provision for income taxes in the period that such a determination is made. The Company recognizes interest and penalties related to unrecognized tax benefits in the Company's income tax provision.

The Company elected to recognize the tax on Global Intangible Low Taxed Income ("GILTI") as a period expense in the year the tax is incurred.

*Financial Instruments* — 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 also has exposure to interest rate volatility related to its senior unsecured term loan facility, and previously had exposure to interest rate volatility related to its prior senior unsecured term loan facilities, which borrowings bear interest at a rate equal to an applicable margin plus a variable rate. The Company had used interest rate swap agreements to hedge against a portion of its exposure related to the term loans previously outstanding under its prior senior unsecured credit facilities. The Company records the foreign currency forward exchange contracts and interest rate swap agreements at fair value in its Consolidated Balance Sheets and does not net the related assets and liabilities. 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 interest rate swap agreements is based on observable interest rate yield curves and represents the expected discounted cash flows underlying the financial instruments. Changes in fair value of the foreign currency forward exchange contracts primarily associated with certain international inventory purchases and the interest rate swap agreements that are designated as effective hedging instruments (collectively referred to as “cash flow hedges”) are recorded in equity as a component of accumulated other comprehensive loss (“AOCL”).

The Company also 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 designates certain foreign currency borrowings issued by PVH Corp., a U.S.-based entity, as net investment hedges of its investments in certain of its foreign subsidiaries that use a functional currency other than the United States dollar. Changes in fair value of the foreign currency borrowings designated as net investment hedges are recorded in equity as a component of AOCL. The Company evaluates the effectiveness of its net investment hedges at inception and at the beginning of each quarter thereafter.

The Company records immediately in earnings changes in the fair value of hedges that are not designated as effective hedging instruments (“undesignated contracts”). Undesignated contracts 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.

As a result of the use of derivative instruments, the Company may be exposed to the risk that the counterparties to such contracts will fail to meet their contractual obligations. To mitigate this counterparty credit risk, the Company only enters into contracts with carefully selected financial institutions based upon an evaluation of their credit ratings and certain other financial factors.

The Company does not use derivative or non-derivative financial instruments for trading or speculative purposes. 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. Please see Note 10, “Derivative Financial Instruments,” for further discussion.

*Foreign Currency Translation and Transactions* — The consolidated financial statements of the Company are prepared in United States dollars. If the functional currency of a foreign subsidiary is not the United States dollar, assets and liabilities are translated to United States dollars at the closing exchange rate in effect at the applicable balance sheet date and revenue and expenses are translated to United States dollars at the average exchange rate for the applicable period. The resulting translation adjustments are included in the Company’s Consolidated Statements of Comprehensive Income (Loss) as a component of other comprehensive (loss) income and in the Consolidated Balance Sheets within AOCL. Gains and losses on the revaluation of intercompany loans made between foreign subsidiaries that are of a long-term investment nature are included in AOCL. Gains and losses arising from transactions denominated in a currency other than the functional currency of a particular entity, not including inventory purchases, are principally included in SG&A expenses and totaled a loss (gain) of \$13.1 million, \$20.4 million and \$(5.6) million in 2022, 2021 and 2020, respectively.

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 2022. As of January 29, 2023, net monetary assets denominated in Turkish lira represented less than 1% of the Company’s total net assets.

*Balance Sheet Classification of Early Settlements of Long-Term Obligations* — The Company classifies obligations settled after the balance sheet date but prior to the issuance of the consolidated financial statements based on the contractual payment terms of the underlying agreements.

*Pension and Benefit Plans* — Employee pension benefits earned during the year, as well as interest on the projected benefit obligations or accumulated benefit obligations, are accrued quarterly. The expected return on plan assets is recognized quarterly and determined at the beginning of the year by applying the expected long-term rate of return on assets to the actual fair value of plan assets adjusted for expected benefit payments, contributions and plan expenses. Actuarial gains and losses are recognized in the Company's operating results in the year in which they occur. These gains and losses include the difference between the actual return on plan assets and the expected return that was recognized quarterly, as well as the change in the projected benefit obligation caused by actual experience and updated actuarial assumptions differing from those assumptions used to record service and interest cost throughout the year. Actuarial gains and losses are measured at least annually at the end of the Company's fiscal year and, as such, are generally recorded during the fourth quarter of each year. The service cost component of net benefit cost is recorded in SG&A expenses and the other components of net benefit cost, which typically include interest cost, actuarial (gain) loss and expected return on plan assets, are recorded in non-service related pension and postretirement (income) cost in the Company's Consolidated Statements of Operations. Please see Note 12, "Retirement and Benefit Plans," for further discussion of the Company's pension and benefit plans.

*Stock-Based Compensation* — The Company recognizes all share-based payments to employees and non-employee directors, net of actual forfeitures, as compensation expense in the consolidated financial statements based on their grant date fair values. Please see Note 13, "Stock-Based Compensation," for further discussion.

*Recently Adopted Accounting Guidance* — The Financial Accounting Standards Board ("FASB") issued in November 2021 an update to accounting guidance requiring disclosures that increase the transparency of transactions with a government accounted for by applying a grant or contribution accounting model by analogy, including (i) the types of transactions, (ii) the accounting for those transactions, and (iii) the effect of those transactions on an entity's financial statements. The Company adopted the update in the first quarter of 2022 using the prospective approach. The adoption of the update did not have any impact on the Company's consolidated financial statements footnote disclosures as the amount of government assistance recorded in the Company's consolidated financial statements as of and for the year ended January 29, 2023 was immaterial.

*Accounting Guidance Issued But Not Adopted as of January 29, 2023* — The 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 update will be effective for the Company 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. Early adoption is permitted. The Company is currently evaluating the update to determine the impact the adoption will have on the Company's consolidated financial statements footnote disclosures related to its supply chain finance program.

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 the 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 update will be effective for the Company in the first quarter of 2023. The Company will apply the update to applicable transactions occurring on or after the adoption date. The impact on the Company's consolidated financial statements will depend on the facts and circumstances of any future transactions.

## **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.

## Product Sales

The Company generates revenue from the wholesale distribution of its products to traditional retailers (including for sale through their digital commerce sites), pure play digital commerce retailers, franchisees, licensees and distributors. Revenue is recognized upon transfer of control of goods to the customer, which generally occurs when title to goods is passed and risk of loss transfers to the customer. Depending on the contract terms, transfer of control is upon shipment of goods to or upon receipt of goods by the customer. Payment typically is due within 30 to 90 days. The amount of revenue recognized is net of returns, sales allowances and other discounts that the Company offers to its wholesale customers. The Company estimates returns based on an analysis of historical experience and individual customer arrangements and estimates sales allowances and other discounts based on seasonal negotiations, historical experience and an evaluation of current sales trends and market conditions.

The Company also generates revenue from the retail distribution of its products through its freestanding stores, shop-in-shop/concession locations and digital commerce sites. Revenue is recognized at the point of sale in the stores and shop-in-shop/concession locations and upon estimated time of delivery for sales through the Company's digital commerce sites, at which point control of the products passes to the customer. The amount of revenue recognized is net of returns, which are estimated based on an analysis of historical experience. Costs associated with coupons are recorded as a reduction of revenue at the time of coupon redemption.

The Company excludes from revenue taxes collected from customers and remitted to government authorities related to sales of the Company's products. Shipping and handling costs that are billed to customers are included in net sales.

## Customer Loyalty Programs

The Company uses loyalty programs that offer customers of its retail businesses specified amounts off of future purchases for a specified period of time after certain levels of spending are achieved. Customers that are enrolled in the programs earn loyalty points for each purchase made.

Loyalty points earned under the customer loyalty programs provide the customer a material right to acquire additional products and give rise to the Company having a separate performance obligation. For each transaction where a customer earns loyalty points, the Company allocates revenue between the products purchased and the loyalty points earned based on the relative standalone selling prices. Revenue allocated to loyalty points is recorded as deferred revenue until the loyalty points are redeemed or expire.

## Gift Cards

The Company sells gift cards to customers in its retail stores and on certain of its digital commerce sites. The Company does not charge administrative fees on gift cards nor do they expire. Gift card purchases by a customer are prepayments for products to be provided by the Company in the future and are therefore considered to be performance obligations of the Company. Upon the purchase of a gift card by a customer, the Company records deferred revenue for the cash value of the gift card. Deferred revenue is relieved and revenue is recognized when the gift card is redeemed by the customer. The portion of gift cards that the Company does not expect to be redeemed (referred to as "breakage") is recognized proportionately over the estimated customer redemption period, subject to the constraint that it must be probable that a significant reversal of revenue will not occur, if the Company determines that it does not have a legal obligation to remit the value of such unredeemed gift cards to any jurisdiction.

## License Agreements

The Company generates royalty and advertising revenue from licensing the rights to access its trademarks to third parties, including the Company's joint ventures. The license agreements generally are exclusive to a territory or product category, have terms in excess of one year and, in most cases, include renewal options. In exchange for providing these rights, the license agreements require the licensees to pay the Company a royalty and, in certain agreements, an advertising fee. In both cases, the Company generally receives the greater of (i) a sales-based percentage fee and (ii) a contractual minimum fee for each annual performance period under the license agreement.

In addition to the rights to access its trademarks, the Company provides ongoing support to its licensees over the term of the agreements. As such, the Company's license agreements are licenses of symbolic intellectual property and, therefore, revenue is recognized over time. For license agreements where the sales-based percentage fee exceeds the contractual minimum fee, the Company recognizes revenues as the licensed products are sold as reported to the Company by its licensees. For license



agreements where the sales-based percentage fee does not exceed the contractual minimum fee, the Company recognizes the contractual minimum fee as revenue ratably over the contractual period.

Under the terms of the license agreements, payments generally are due quarterly from the licensees. The Company records deferred revenue when amounts are received or receivable from the licensee in advance of the recognition of revenue.

As of January 29, 2023, the contractual minimum fees on the portion of all license agreements not yet satisfied totaled \$998.5 million, of which the Company expects to recognize \$301.4 million as revenue in 2023, \$258.6 million in 2024 and \$438.5 million thereafter.

#### Deferred Revenue

Changes in deferred revenue, which primarily relate to customer loyalty programs, gift cards and license agreements for the years ended January 29, 2023 and January 30, 2022, were as follows:

(In millions)	2022	2021
Deferred revenue balance at beginning of period	\$ 44.9	\$ 55.8
Net additions to deferred revenue during the period	49.8	42.2
Reductions in deferred revenue for revenue recognized during the period <sup>(1)</sup>	(40.4)	(51.5)
Reduction in deferred revenue related to the Heritage Brands transaction	—	(1.6) <sup>(2)</sup>
Deferred revenue balance at end of period	<u>\$ 54.3</u>	<u>\$ 44.9</u>

<sup>(1)</sup> 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.

<sup>(2)</sup> The Company recorded a \$1.6 million reduction in deferred revenue in connection with the Heritage Brands transaction. Please see Note 3, “Acquisitions and Divestitures,” for further discussion.

The Company also had long-term deferred revenue liabilities included in other liabilities in its Consolidated Balance Sheets of \$12.1 million and \$15.0 million as of January 29, 2023 and January 30, 2022, respectively.

#### Optional Exemptions

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.

Please see Note 20, “Segment Data,” for information on the disaggregation of revenue by segment and distribution channel.

### **3. ACQUISITIONS AND DIVESTITURES**

#### Australia Acquisition

The Company acquired in 2019 the approximately 78% ownership interest in Gazal Corporation Limited (“Gazal”) that it did not already own (the “Australia acquisition”).

##### *Mandatorily Redeemable Non-Controlling Interest*

Pursuant to the terms of the acquisition agreement, key executives of Gazal and PVH Brands Australia Pty. Limited (“PVH Australia”) exchanged a portion of their interests in Gazal for approximately 6% of the outstanding shares of the Company’s previously wholly owned subsidiary that acquired 100% of the ownership interests in the Australia business. The Company was obligated to purchase this 6% interest within two years of the Australia acquisition closing in two tranches: tranche 1 – 50% of the shares one year after the closing; and tranche 2 – all remaining shares two years after the closing.

The Company recognized a liability of \$26.2 million for the fair value of the 6% interest on the date of the Australia acquisition, based on exchange rates in effect on that date, which was being accounted for as a mandatorily redeemable non-controlling interest. In subsequent periods, the liability for the mandatorily redeemable non-controlling interest was adjusted each reporting period to its redemption value based on conditions that existed as of each subsequent balance sheet date.

provided that the liability could not be adjusted below the amount initially recorded at the acquisition date. The Company recorded any such adjustments to the liability in interest expense in the Company's Consolidated Statements of Operations. The Company recorded a loss of \$4.9 million in interest expense during 2020 in connection with the remeasurement of the mandatorily redeemable non-controlling interest.

For the tranche 1 and tranche 2 shares, the measurement periods ended in 2019 and 2020, respectively. The Company paid the management shareholders an aggregate purchase price of \$17.3 million for the tranche 1 shares in June 2020 and an aggregate purchase price of \$24.4 million for the tranche 2 shares in June 2021 based on exchange rates in effect on the applicable payment dates. The Company presented these payments within the Company's Consolidated Statements of Cash Flows as follows: (i) \$12.7 million and \$15.2 million as financing cash flows in 2020 and 2021, respectively, which represented the initial fair values of the liabilities for the tranche 1 and tranche 2 shares, respectively, recognized on the acquisition date, and (ii) \$4.6 million and \$9.2 million, as operating cash flows in 2020 and 2021, respectively, for the tranche 1 and tranche 2 shares, respectively, attributable to interest. The Company had no remaining liability for the mandatorily redeemable non-controlling interest as of January 30, 2022.

#### Sale of Certain Heritage Brands Trademarks and Other Assets

The Company entered into a definitive agreement on June 23, 2021 to sell certain of its heritage brands trademarks, including *Van Heusen*, *IZOD*, *ARROW* and *Geoffrey Beene*, as well as certain related inventories of its Heritage Brands business, with a net carrying value of \$97.8 million, to ABG and other parties for \$222.9 million in cash.

The Company completed the sale on August 2, 2021 for net proceeds of \$216.3 million, after transaction costs. In connection with the closing of the transaction, the Company recorded a pre-tax gain of \$118.5 million in the third quarter of 2021, which represented the excess of the amount of consideration received over the net carrying value of the assets, less costs to sell. The gain was recorded in other (gain) loss, net in the Company's Consolidated Statement of Operations and included in the Heritage Brands Wholesale segment.

In connection with the sale, the employment of certain employees based in the United States engaged in the Heritage Brands business was terminated in the third quarter of 2021. However, the Company retained the liability for any deferred vested benefits earned by these employees under its retirement plans. No further benefits were accrued under the plans for these employees and as a result, the Company recognized a gain of \$1.8 million in the third quarter of 2021 with a corresponding decrease to its pension benefit obligation. For certain eligible employees affected by the transaction, the Company provided an enhanced retirement benefit and as a result recognized \$1.4 million of special termination benefit costs in the third quarter of 2021 with a corresponding increase to its pension benefit obligation. These amounts were included in other (gain) loss, net in the Company's Consolidated Statement of Operations. Please see Note 12, "Retirement and Benefit Plans," for further discussion.

#### Sale of the Speedo North America Business

The Company entered into a definitive agreement on January 9, 2020 to sell its Speedo North America business to Pentland, the parent company of the *Speedo* brand, for \$170.0 million in cash, which was, at the time, subject to a working capital adjustment. The Company recorded a pre-tax noncash loss of \$142.0 million in the fourth quarter of 2019 to reduce the carrying value of the Speedo North America business as of February 2, 2020 to its estimated fair value, less costs to sell.

The Company completed the sale of its Speedo North America business on April 6, 2020 for net proceeds of \$169.1 million and deconsolidated the net assets of the business. In connection with the closing of the Speedo transaction, the Company recorded a pre-tax noncash loss of \$5.9 million in the first quarter of 2020 resulting from the remeasurement of the loss recorded in the fourth quarter of 2019, primarily due to changes to the net assets of the Speedo North America business subsequent to February 2, 2020, based on the terms of the agreement. The loss was recorded in other (gain) loss, net in the Company's Consolidated Statement of Operations and included in the Heritage Brands Wholesale segment.

Upon the closing of the Speedo transaction, employees based in the United States who were engaged primarily in the Speedo North America business terminated their employment with the Company. However, the Company retained the liability for any deferred vested benefits earned by these employees under its retirement plans. No further benefits were to be accrued under the plans and as a result, the Company recognized a gain of \$2.8 million in the first quarter of 2020 with a corresponding decrease to its pension benefit obligation. The gain was included in other (gain) loss, net in the Company's Consolidated Statement of Operations. Please see Note 12, "Retirement and Benefit Plans," for further discussion.

#### 4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, at cost, was as follows:

(In millions)	2022	2021
Land	\$ 1.0	\$ 1.0
Buildings and building improvements	30.7	30.6
Machinery, software and equipment	1,093.5	981.9
Furniture and fixtures	588.3	549.0
Shop-in-shops/concession locations	234.0	227.2
Leasehold improvements	768.2	765.1
Construction in progress	88.3	97.3
Property, plant and equipment, gross	2,804.0	2,652.1
Less: Accumulated depreciation	(1,900.0)	(1,746.0)
Property, plant and equipment, net	<u>\$ 904.0</u>	<u>\$ 906.1</u>

The increase in machinery, software and equipment in 2022 includes software and other equipment that was placed into service in 2022 in connection with the (i) enhancements to the Company's warehouse and distribution network in Europe and North America and (ii) investments in (a) upgrades and enhancements to platforms and systems worldwide, including digital commerce platforms, and (b) information technology infrastructure worldwide, including information security. Construction in progress at January 29, 2023 and January 30, 2022 represents costs incurred for machinery, software and equipment, furniture and fixtures, and leasehold improvements not yet placed in use. Construction in progress at January 29, 2023 and January 30, 2022 principally related to (i) enhancements to the Company's warehouse and distribution network in Europe and North America and (ii) investments in (a) upgrades and enhancements to platforms and systems worldwide and (b) new stores and store renovations. Interest costs capitalized in construction in progress were immaterial during 2022, 2021 and 2020.

#### 5. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

Included in other assets in the Company's Consolidated Balance Sheets was \$190.2 million as of January 29, 2023 and \$165.3 million as of January 30, 2022 related to the following investments in unconsolidated affiliates:

##### PVH India

The Company held a 50% economic interest in each of the Tommy Hilfiger Arvind Fashion Private Limited ("TH India") and Calvin Klein Arvind Fashion Private Limited ("CK India") joint ventures prior to August 15, 2020. These investments were accounted for under the equity method of accounting. TH India and CK India licensed from certain subsidiaries of the Company the rights to the *TOMMY HILFIGER* and *Calvin Klein* trademarks, respectively, in India for certain product categories. The Company and Arvind, the Company's joint venture partner in TH India and CK India, entered into an agreement to merge TH India into CK India, effective August 15, 2020. As a result of the merger, the Company now owns a 50% economic interest in the merged entity, now known as PVH Arvind Fashion Private Limited ("PVH India"), which is being accounted for under the equity method of accounting. There has been no material change to the shareholders' respective rights or economic interests as a result of the transaction and no consideration was exchanged in the merger. As such, no gain or loss was recorded in connection with the transaction. PVH India licenses from certain Company subsidiaries the rights to the *TOMMY HILFIGER* and *Calvin Klein* trademarks in India for certain product categories.

##### PVH Legwear

The Company owns a 49% economic interest in PVH Legwear LLC ("PVH Legwear"). PVH Legwear licenses from certain subsidiaries of the Company the rights to distribute and sell in the United States and Canada *TOMMY HILFIGER*, *Calvin Klein*, *Warner's* and, through the second quarter of 2021, *IZOD* and *Van Heusen* socks and hosiery. Following the Heritage Brands transaction, PVH Legwear now licenses from ABG the rights to distribute and sell in these countries *IZOD* and *Van Heusen* socks and hosiery. Additionally, PVH Legwear sells socks and hosiery under other owned and licensed trademarks. This investment is being accounted for under the equity method of accounting.

The Company received dividends of \$6.4 million and \$2.0 million from PVH Legwear during 2022 and 2021, respectively.

The Company made a payment of \$1.6 million to PVH Legwear during 2020 to contribute its share of the joint venture funding.

#### TH Brazil

The Company owns an economic interest of approximately 41% in Tommy Hilfiger do Brasil S.A. (“TH Brazil”). TH Brazil licenses from a subsidiary of the Company the rights to the *TOMMY HILFINGER* trademarks in Brazil for certain product categories. This investment is being accounted for under the equity method of accounting.

#### PVH Mexico

The Company and Grupo Axo, S.A.P.I. de C.V. formed a joint venture (“PVH Mexico”) in which the Company owns a 49% economic interest. PVH Mexico licenses from certain subsidiaries of the Company the rights to distribute and sell certain *TOMMY HILFINGER*, *Calvin Klein*, *Warner’s* and *Olga* brand products in Mexico. Additionally, PVH Mexico licenses certain other trademarks for some product categories. This investment is being accounted for under the equity method of accounting.

The Company received dividends of \$9.8 million and \$16.8 million from PVH Mexico during 2022 and 2021, respectively.

#### Karl Lagerfeld

The Company owned an economic interest of approximately 8% in Karl Lagerfeld Holding B.V. (“Karl Lagerfeld”). The Company was deemed to have significant influence with respect to this investment and accounted for the investment under the equity method of accounting prior to the completion of the Karl Lagerfeld transaction (as defined below) on May 31, 2022.

The Company completed the sale of its economic interest in 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 (loss) 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.

The Company had previously determined during the first quarter of 2020 that the then-recent and projected business results for Karl Lagerfeld, which included an adverse impact of the COVID-19 pandemic, was an indicator of an other-than-temporary impairment with respect to the Company’s investment in Karl Lagerfeld. The Company calculated the fair value of its investment using future operating cash flow projections that were discounted at a rate of 10.9%, which accounted for the relative risks of the estimated future cash flows. The Company classified this as a Level 3 fair value measurement due to the use of significant unobservable inputs. The Company determined the fair value of its investment was lower than its carrying amount as of May 3, 2020, and as a result recorded a noncash other-than-temporary impairment of \$12.3 million during the first quarter of 2020 to fully impair the investment. The impairment was included in equity in net income (loss) of unconsolidated affiliates in the Company’s Consolidated Statement of Operations. The Company recorded the impairment charge in corporate expenses not allocated to any reportable segments, consistent with how it had historically recorded its proportionate share of the net income or loss of its investment in Karl Lagerfeld.

## 6. REDEEMABLE NON-CONTROLLING INTEREST

The Company formed PVH Ethiopia during 2016 to operate a manufacturing facility that produced finished products for the Company for distribution primarily in the United States. The Company and its partner held initial economic interests of 75% and 25%, respectively, in PVH Ethiopia, with its partner's 25% interest accounted for as an RNCI. The Company consolidated the results of PVH Ethiopia in its consolidated financial statements. The capital structure of PVH Ethiopia was amended effective May 31, 2021 and, as a result, the Company solely managed and effectively owned all economic interests in the joint venture. The Company closed in the fourth quarter of 2021 the manufacturing facility that was PVH Ethiopia's sole operation. The closure did not have a material impact on the Company's consolidated financial statements.

In connection with the amendment of the capital structure of PVH Ethiopia, the Company reclassified the carrying amount of the RNCI as of May 31, 2021 of \$(3.7) million to additional paid-in capital. Following this reclassification, the Company stopped attributing any net income or loss in PVH Ethiopia to the redeemable non-controlling interest.

## 7. GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill, by segment (please see Note 20, "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	Heritage Brands Retail	Total
<b>Balance as of January 31, 2021</b>							
Goodwill, gross	\$ 781.8	\$ 902.8	\$ 203.0	\$ 1,748.0	\$ 197.7	\$ 11.9	\$ 3,845.2
Accumulated impairment losses	(287.3)	(394.0)	—	—	(197.7)	(11.9)	(890.9)
Goodwill, net	494.5	508.8	203.0	1,748.0	—	—	2,954.3
Reduction of goodwill, gross related to the exit from the Heritage Brands Retail business	—	—	—	—	—	(11.9)	(11.9)
Reduction of accumulated impairment losses related to the exit from the Heritage Brands Retail business	—	—	—	—	—	11.9	11.9
Reduction of goodwill, gross related to the Heritage Brands transaction	—	—	—	—	(92.7)	—	(92.7)
Reduction of accumulated impairment losses related to the Heritage Brands transaction	—	—	—	—	92.7	—	92.7
Currency translation	—	(11.3)	—	(114.1)	—	—	(125.4)
<b>Balance as of January 30, 2022</b>							
Goodwill, gross	781.8	891.5	203.0	1,633.9	105.0	—	3,615.2
Accumulated impairment losses	(287.3)	(394.0)	—	—	(105.0)	—	(786.3)
Goodwill, net	494.5	497.5	203.0	1,633.9	—	—	2,828.9
Impairment	(162.6)	(77.3)	(177.2)	—	—	—	(417.1)
Currency translation	—	(6.5)	—	(46.3)	—	—	(52.8)
<b>Balance as of January 29, 2023</b>							
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

As a result of the Company's 2022 annual impairment test, the Company recorded \$417.1 million of noncash impairment charges during the third quarter of 2022. Please see the section "Goodwill and Other Intangible Assets Impairment Testing" below for further discussion.

The Company recorded an \$11.9 million reduction to goodwill, gross and a corresponding \$11.9 million reduction to accumulated impairment losses in connection with the exit from the Heritage Brands Retail business in 2021. As a result of the exit from the business, the Company's Heritage Brands Retail segment has ceased operations. Please see Note 17, "Exit Activity Costs," for further discussion.

The Company recorded a \$92.7 million reduction to goodwill, gross and a corresponding \$92.7 million reduction to accumulated impairment losses during 2021 in connection with the Heritage Brands transaction. The Company had recorded the accumulated impairment losses as a result of the interim goodwill impairment test performed in the first quarter of 2020 discussed below in the section "Goodwill and Other Intangible Assets Impairment Testing." Please see Note 3, "Acquisitions and Divestitures," for further discussion of the Heritage Brands transaction.

The Company's other intangible assets consisted of the following:

(In millions)	2022			2021		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Intangible assets subject to amortization:						
Customer relationships	\$ 281.0	\$ (248.3)	\$ 32.7	\$ 286.0	\$ (232.3)	\$ 53.7
Reacquired license rights	494.3	(199.3)	295.0	506.1	(193.1)	313.0
Total intangible assets subject to amortization	775.3	(447.6)	327.7	792.1	(425.4)	366.7
Indefinite-lived intangible assets:						
Tradenames	2,701.1	—	2,701.1	2,722.9	—	2,722.9
Reacquired perpetual license rights	221.1	—	221.1	217.4	—	217.4
Total indefinite-lived intangible assets	2,922.2	—	2,922.2	2,940.3	—	2,940.3
Total other intangible assets	\$ 3,697.5	\$ (447.6)	\$ 3,249.9	\$ 3,732.4	\$ (425.4)	\$ 3,307.0

The gross carrying amount and accumulated amortization of certain intangible assets include the impact of changes in foreign currency exchange rates.

Amortization expense related to the Company's intangible assets subject to amortization was \$32.1 million and \$34.2 million for 2022 and 2021, respectively.

Assuming constant foreign currency exchange rates and no change in the gross carrying amount of the intangible assets, amortization expense for the next five years related to the Company's intangible assets subject to amortization as of January 29, 2023 is expected to be as follows:

(In millions)	
Fiscal Year	Amount
2023	\$ 23.6
2024	23.3
2025	17.5
2026	14.6
2027	14.3

## Goodwill and Other Intangible Assets Impairment Testing

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. 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. Please see Note 1, “Summary of Significant Accounting Policies,” for discussion of the Company’s goodwill and intangible assets impairment testing process.

### Goodwill Impairment Testing

#### *2022 Annual Impairment Test*

For the 2022 annual goodwill impairment test performed as of the beginning of the third quarter of 2022, the Company elected to bypass the qualitative assessment and proceeded directly to the quantitative impairment test using a discounted cash flow method to estimate the fair value of its reporting units. In making this election, the Company considered the changes resulting from the then-current macroeconomic environment, in particular the increase in interest rates and the strengthening of the U.S. dollar against most major currencies in which the Company transacts business.

As a result of the Company’s 2022 annual impairment test, the Company recorded \$417.1 million of noncash impairment charges during the third quarter of 2022, which were included in goodwill and other intangible asset impairments in the Company’s Consolidated Statement of Operations. The impairments were driven primarily by a significant increase in discount rates. The impairment charges, which related to the Calvin Klein Wholesale North America, Calvin Klein Licensing and Advertising International and Tommy Hilfiger Retail North America reporting units, were recorded to the Company’s segments as follows: \$162.6 million in the Calvin Klein North America segment, \$77.3 million in the Calvin Klein International segment and \$177.2 million in the Tommy Hilfiger North America segment.

Of these reporting units, Calvin Klein Licensing and Advertising International was determined to be partially impaired. The remaining carrying amount of goodwill allocated to this reporting unit as of the date of the test was \$41.0 million. Holding all other assumptions constant, a 100 basis point change in the annual revenue growth rate assumption for this business would have resulted in a change to the estimated fair value of the reporting unit of approximately \$8 million. Likewise, a 100 basis point change in the weighted average cost of capital would have resulted in a change to the estimated fair value of the reporting unit of approximately \$6 million. While the Calvin Klein Licensing and Advertising International reporting unit was not determined to be fully impaired, it may be at risk of further impairment in the future if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in long-term growth rates or the weighted average cost of capital.

With respect to the Company’s other reporting units that were not determined to be impaired, the Calvin Klein Licensing and Advertising North America reporting unit had an estimated fair value that exceeded its carrying amount of \$464.4 million by 9%. The carrying amount of goodwill allocated to this reporting unit as of the date of the test was \$330.4 million. Holding all other assumptions constant, a 100 basis point change in the annual revenue growth rate assumption for this business would have resulted in a change to the estimated fair value of the reporting unit of approximately \$43 million. Likewise, a 100 basis point change in the weighted average cost of capital would have resulted in a change to the estimated fair value of the reporting unit of approximately \$34 million. While the Calvin Klein Licensing and Advertising North America reporting unit was not determined to be impaired, it may be at risk of future impairment if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in the long-term growth rate or the weighted average cost of capital.

The fair value of the reporting units for goodwill impairment testing was determined using an income approach and validated using a market approach. The income approach was based on discounted projected future (debt-free) cash flows for each reporting unit. The discount rates applied to these cash flows were based on the weighted average cost of capital for each reporting unit, which takes market participant assumptions into consideration, inclusive of a Company-specific 4% risk premium to account for the additional risk of uncertainty perceived by market participants related to the Company’s overall cash flows due to the macroeconomic environment. Estimated future operating cash flows were discounted at rates of 16.0% or 16.5%, depending on the reporting unit, to account for the relative risks of the estimated future cash flows. For the market approach, used to validate the results of the income approach method, the Company used the guideline company method, which analyzes market multiples of adjusted earnings before interest, taxes, depreciation and amortization (“EBITDA”) for a group of comparable public companies. The market multiples used in the valuation are based on the relative strengths and weaknesses of

the reporting unit compared to the selected guideline companies. The Company classified the fair values of its reporting units as Level 3 fair value measurements due to the use of significant unobservable inputs.

There have been no significant events or change in circumstances since the date of the 2022 annual impairment test that would indicate the remaining carrying amount of the Company's goodwill may be impaired as of January 29, 2023. There continues to be significant uncertainty in the current macroeconomic environment due to inflationary pressures globally, the war in Ukraine and its broader macroeconomic implications, and foreign currency volatility. If market factors utilized in the impairment analysis deteriorate or otherwise vary from current assumptions (including those resulting in changes in the weighted average cost of capital), industry conditions deteriorate, business conditions or strategies for a specific reporting unit change from current assumptions, the Company's businesses do not perform as projected, or there is an extended period of a significant decline in the Company's stock price, the Company could incur additional goodwill impairment charges in the future.

#### *2021 Annual Impairment Test*

For the 2021 annual goodwill impairment test performed as of the beginning of the third quarter of 2021, the Company elected to perform a qualitative assessment first to determine whether it was more likely than not that the fair value of each reporting unit with allocated goodwill was less than its carrying amount.

The Company assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and reporting unit-specific factors. In performing this assessment, the Company considered the results of its quantitative interim goodwill impairment test performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) the weighted average cost of capital for each reporting unit as of the beginning of the third quarter of 2021, which was either favorable to or consistent with the weighted average cost of capital used in the Company's 2020 interim test, (ii) a favorable change in the Company's market capitalization and its implied impact on the fair value of the Company's reporting units subsequent to the 2020 interim test, and (iii) the Company's recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in the Company's 2020 interim test.

After assessing these events and circumstances, the Company determined that it was not more likely than not that the fair value of each reporting unit with allocated goodwill was less than its carrying amount and concluded that the quantitative goodwill impairment test was not required. No impairment of goodwill resulted from the Company's annual impairment test in 2021.

#### *2020 Annual Impairment Test*

For the 2020 annual goodwill impairment test performed as of the beginning of the third quarter of 2020, the Company elected to perform a qualitative assessment first to determine whether it was more likely than not that the fair value of each reporting unit with allocated goodwill was less than the carrying amount.

The Company assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and reporting unit-specific factors. In performing this assessment, the Company considered the results of its quantitative interim goodwill impairment test performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) favorable changes in the weighted average cost of capital subsequent to the 2020 interim test, (ii) a favorable change in the Company's market capitalization and its implied impact on the fair value of the Company's reporting units subsequent to the 2020 interim test, and (iii) the Company's recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in the Company's 2020 interim goodwill impairment test.

After assessing these events and circumstances, the Company determined that it was not more likely than not that the fair value of each reporting unit with allocated goodwill was less than its carrying amount and concluded that the quantitative goodwill impairment test was not required. No impairment of goodwill resulted from the Company's annual impairment test in 2020.



## *2020 Interim Impairment Test*

The Company determined in the first quarter of 2020 that the significant adverse impact of the COVID-19 pandemic on the Company's business, including an unprecedented material decline in revenue and earnings and an extended decline in the Company's stock price and associated market capitalization, was a triggering event that required the Company to perform a quantitative interim goodwill impairment test. As a result of the interim test performed, the Company recorded \$879.0 million of noncash impairment charges in the first quarter of 2020, which were included in goodwill and other intangible asset impairments in the Company's Consolidated Statement of Operations. The impairment charges, which related to the Heritage Brands Wholesale, Calvin Klein Retail North America, Calvin Klein Wholesale North America, Calvin Klein Licensing and Advertising International, and Calvin Klein International reporting units, were recorded to the Company's segments as follows: \$197.7 million in the Heritage Brands Wholesale segment, \$287.3 million in the Calvin Klein North America segment, and \$394.0 million in the Calvin Klein International segment.

Of these reporting units, Calvin Klein Wholesale North America, Calvin Klein Licensing and Advertising International, and Calvin Klein International were determined to be partially impaired. The remaining carrying amount of goodwill allocated to these reporting units as of the date of the interim test was \$162.3 million, \$143.4 million and \$346.9 million, respectively. While these reporting units were not determined to be fully impaired in the first quarter of 2020, at the time they were considered to be at risk of further impairment in the future if the related businesses did not perform as projected or if market factors utilized in the impairment analysis deteriorated. As discussed in the 2022 annual impairment test section above, the Company performed a quantitative impairment test for all reporting units in the third quarter of 2022. As a result of this test, the Calvin Klein Wholesale North America reporting unit was determined to be fully impaired and the Calvin Klein Licensing and Advertising International reporting unit was determined to be further partially impaired in the third quarter of 2022. No further impairment was identified for the Calvin Klein International reporting unit and it was no longer considered to be at risk of further impairment in the future.

With respect to the Company's other reporting units that were not determined to be impaired, the Tommy Hilfiger International reporting unit had an estimated fair value that exceeded its carrying amount, as of the date of the interim test, of \$2,948.5 million by 5%. The carrying amount of goodwill allocated to this reporting unit as of the date of the interim test was \$1,557.5 million. While the Tommy Hilfiger International reporting unit was not determined to be impaired in the first quarter of 2020, at the time it was considered to be at risk of future impairment if the related business did not perform as projected or if market factors utilized in the impairment analysis deteriorated. As discussed in the 2022 annual impairment test section above, the Company performed a quantitative impairment test for all reporting units in the third quarter of 2022. No impairment was identified relating to the Tommy Hilfiger International reporting unit as a result of this test and it was no longer considered to be at risk of further impairment in the future.

The fair value of the reporting units for goodwill impairment testing was determined using an income approach and validated using a market approach. The income approach was based on discounted projected future (debt-free) cash flows for each reporting unit. The discount rates applied to these cash flows were based on the weighted average cost of capital for each reporting unit, which takes market participant assumptions into consideration. Estimated future operating cash flows used in the interim test were discounted at rates of 10.0%, 10.5% or 11.0%, depending on the reporting unit, to account for the relative risks of the estimated future cash flows. For the market approach, used to validate the results of the income approach method, the Company used both the guideline company and similar transaction methods. The guideline company method analyzes market multiples of revenue and EBITDA for a group of comparable public companies. The market multiples used in the valuation are based on the relative strengths and weaknesses of the reporting unit compared to the selected guideline companies. Under the similar transactions method, valuation multiples are calculated utilizing actual transaction prices and revenue and EBITDA data from target companies deemed similar to the reporting unit. The Company classified the fair values of its reporting units as Level 3 fair value measurements due to the use of significant unobservable inputs.

## *Indefinite-Lived Intangible Assets Impairment Testing*

### *2022 Annual Impairment Test*

For the 2022 annual impairment test of the *TOMMY HILFIGER* and *Calvin Klein* tradenames and the reacquired perpetual license rights for *TOMMY HILFIGER* in India performed as of the beginning of the third quarter of 2022, the Company elected to first assess qualitative factors to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount. For these assets, no impairment was identified as a result of the Company's most recent quantitative impairment test and the fair values of these indefinite-lived intangible assets substantially exceeded their carrying amounts. The asset with the least excess fair value had an estimated fair value that exceeded its carrying amount by approximately 183% as of

the date of the Company's most recent quantitative impairment test. The Company assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and asset-specific factors, including changes in the weighted average cost of capital for each of its indefinite-lived intangible assets since the date of the most recent quantitative test and the Company's recent financial performance and updated financial forecasts as compared to those used in the most recent quantitative tests. After assessing these events and circumstances, the Company determined qualitatively that it was not more likely than not that the fair values of these indefinite-lived intangible assets were less than their carrying amounts and concluded that the quantitative impairment test was not required.

For the 2022 annual impairment test of the *Warner's* tradename and the reacquired perpetual license rights recorded in connection with the Australia acquisition performed as of the beginning of the third quarter of 2022, the Company elected to bypass the qualitative assessment and proceeded directly to the quantitative impairment test. With regard to the reacquired perpetual license rights, the Company determined that its fair value substantially exceeded its carrying amount and, therefore, the asset was not impaired. The fair value of the *Warner's* tradename exceeded its carrying amount of \$95.8 million by 4% at the testing date. Holding all other assumptions constant, a 100 basis point change in the annual revenue growth rate of the related business would have resulted in a change to the estimated fair value of the asset of approximately \$7 million. Likewise, a 100 basis point change in the weighted average cost of capital would have resulted in a change to the estimated fair value of the asset of approximately \$7 million. While the *Warner's* tradename was not determined to be impaired, it may be at risk of future impairment if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in the long-term growth rate or the weighted average cost of capital.

The fair value of the *Warner's* tradename was determined using an income-based relief-from-royalty method. Under this method, the value of an asset is estimated based on the hypothetical cost savings that accrue as a result of not having to license the tradename from another party. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. The Company discounted the cash flows used to value the *Warner's* tradename at a rate of 16.0%. The fair value of the Company's reacquired perpetual license rights recorded in connection with the Australia acquisition was determined using an income approach which estimates the net cash flows directly attributable to the subject intangible asset. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. The Company discounted the cash flows used to value the reacquired perpetual license rights recorded in connection with the Australia acquisition at a rate of 19.0%. The Company classified the fair values of these indefinite-lived intangible assets as Level 3 fair value measurements due to the use of significant unobservable inputs.

There have been no significant events or change in circumstances since the date of the 2022 annual impairment test that would indicate the remaining carrying amount of the Company's indefinite-lived intangible assets may be impaired as of January 29, 2023. There continues to be significant uncertainty in the current macroeconomic environment due to inflationary pressures globally, the war in Ukraine and its broader macroeconomic implications, and foreign currency volatility. If market factors utilized in the impairment analysis deteriorate or otherwise vary from current assumptions (including those resulting in changes in the weighted average cost of capital), industry conditions deteriorate, business conditions or strategies change from current assumptions, or the Company's businesses do not perform as projected, the Company could incur additional indefinite-lived intangible asset impairment charges in the future.

#### *2021 Annual Impairment Test*

For the 2021 annual indefinite-lived intangible assets impairment test performed as of the beginning of the third quarter of 2021, the Company elected to assess qualitative factors first to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount.

The Company assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and asset-specific factors. In performing this assessment, the Company considered the results of its interim impairment testing performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) the weighted average cost of capital for each of its indefinite-lived intangible assets as of the beginning of the third quarter of 2021, which was either favorable to or consistent with the weighted average cost of capital used in the Company's 2020 interim test and (ii) the Company's recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in the Company's 2020 interim test.

After assessing these events and circumstances, the Company determined that it was not more likely than not that the fair value of its indefinite-lived intangible assets were less than their carrying amounts and concluded that a quantitative impairment test was not required. No impairment of indefinite-lived intangible assets resulted from the Company's annual impairment test in 2021.

## 2020 Annual Impairment Test

For the 2020 annual indefinite-lived intangible assets impairment test performed as of the beginning of the third quarter of 2020, the Company elected to assess qualitative factors first to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount.

The Company assessed relevant events and circumstances, including industry, market and macroeconomic conditions, as well as Company and asset-specific factors. In performing this assessment, the Company considered the results of its interim impairment testing performed in the first quarter of 2020, discussed below in further detail, and the impact of (i) favorable changes in the weighted average cost of capital subsequent to the interim test and (ii) the Company's recent financial performance and updated financial forecasts, which were consistent with or exceeded the projections used in the Company's 2020 interim test.

After assessing these events and circumstances, the Company determined that it was not more likely than not that the fair value of its indefinite-lived intangible assets were less than their carrying amounts and concluded that a quantitative impairment test was not required. No impairment of indefinite-lived intangible assets resulted from the Company's annual impairment test in 2020.

## 2020 Interim Impairment Test

The Company determined in the first quarter of 2020 that the impact of the COVID-19 pandemic on its business was a triggering event that prompted the need to perform interim impairment testing of its indefinite-lived intangible assets. For the *TOMMY HILFIGER*, *Calvin Klein*, and *Warner's* tradenames, our then-owned *Van Heusen* tradename and the reacquired perpetual license rights for *TOMMY HILFIGER* in India, the Company elected to first assess qualitative factors to determine whether it was more likely than not that the fair value of any asset was less than its carrying amount. For these assets, no impairment was identified as a result of the Company's prior annual indefinite-lived intangible asset impairment test in 2019 and the fair values of these indefinite-lived intangible assets substantially exceeded their carrying amounts. The asset with the least excess fair value had an estimated fair value that exceeded its carrying amount by approximately 85% as of the date of the Company's 2019 annual test. Considering this and other factors, the Company determined qualitatively that it was not more likely than not that the fair values of these indefinite-lived intangible assets were less than their carrying amounts and concluded that the quantitative impairment test in the first quarter of 2020 was not required.

For the then-owned *ARROW* and *Geoffrey Beene* tradenames and the reacquired perpetual license rights recorded in connection with the Australia acquisition, the Company elected to bypass the qualitative assessment and proceeded directly to the quantitative impairment test. As a result of this quantitative interim impairment testing, the Company recorded \$47.2 million of noncash impairment charges in the first quarter of 2020 to write down the two tradenames. This included \$35.6 million to write down the *ARROW* tradename, which had a carrying amount as of the date of the interim test of \$78.9 million, to a fair value of \$43.3 million, and \$11.6 million to write down the *Geoffrey Beene* tradename, which had a carrying amount of \$17.0 million, to a fair value of \$5.4 million. The \$47.2 million of impairment charges recorded in the first quarter of 2020 was included in goodwill and other intangible asset impairments in the Company's Consolidated Statement of Operations and allocated to the Company's Heritage Brands Wholesale segment. The *Van Heusen*, *ARROW* and *Geoffrey Beene* tradenames were subsequently sold in the third quarter of 2021 in connection with the Heritage Brands transaction. Please see Note 3, "Acquisitions and Divestitures," for further discussion of the Heritage Brands transaction.

With regard to the reacquired perpetual license rights recorded in connection with the Australia acquisition, the Company determined in the first quarter of 2020 that its fair value substantially exceeded its carrying amount and, therefore, the asset was not impaired.

The fair value of the *ARROW* and *Geoffrey Beene* tradenames was determined using an income-based relief-from-royalty method. Under this method, the value of an asset is estimated based on the hypothetical cost savings that accrue as a result of not having to license the tradename from another party. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. The Company discounted the cash flows used to value the *ARROW* and *Geoffrey Beene* tradenames at a rate of 10.0%. The fair value of the Company's reacquired perpetual license rights recorded in connection with the Australia acquisition was determined using an income approach, which estimates the net cash flows directly attributable to the subject intangible asset. These cash flows are discounted to present value using a discount rate that factors in the relative risk of the intangible asset. The Company discounted the cash flows used to value the reacquired perpetual license rights recorded in connection with the Australia acquisition at a rate of 10.0%. The Company classified the

fair values of these indefinite-lived intangible assets as Level 3 fair value measurements due to the use of significant unobservable inputs.

#### *Finite-Lived Intangible Assets Impairment*

The Company determined in the first quarter of 2020 that the impact of the pandemic on its business was also a triggering event that prompted the need to perform an impairment test of its finite-lived intangible assets. As a result of the test performed, the Company recorded \$7.3 million of noncash impairment charges in the first quarter of 2020 to write down certain finite-lived customer relationship intangible assets to a fair value of zero. These impairments were included in goodwill and other intangible asset impairments in the Company's Consolidated Statement of Operations and allocated to the Company's segments as follows: \$4.7 million in the Heritage Brands Wholesale segment and \$2.6 million in the Calvin Klein North America segment.

There have been no significant events or change in circumstances since the first quarter of 2020 that would indicate the remaining carrying amount of the Company's finite-lived intangible assets may be impaired as of January 29, 2023. There continues to be significant uncertainty in the current macroeconomic environment due to inflationary pressures globally, the war in Ukraine and its broader macroeconomic implications, and foreign currency volatility. If market factors utilized in the impairment analysis deteriorate or otherwise vary from current assumptions (including those resulting in changes in the weighted average cost of capital), industry conditions deteriorate, business conditions or strategies change from current assumptions, or the Company's businesses do not perform as projected, the Company could incur additional finite-lived intangible asset impairment charges in the future.

## **8. 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 borrowings outstanding under these facilities as of January 29, 2023. The Company had no borrowings outstanding under its prior senior unsecured credit facilities as of January 30, 2022 as discussed in the section entitled "2019 Senior Unsecured Credit Facilities" below.

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 \$198.8 million based on exchange rates in effect on January 29, 2023 and are utilized primarily to fund working capital needs. The Company had \$46.2 million and \$10.8 million outstanding under these facilities as of January 29, 2023 and January 30, 2022, respectively. The weighted average interest rate on funds borrowed as of January 29, 2023 and January 30, 2022 was 2.31% and 0.17%, respectively. The maximum amount of borrowings outstanding under these facilities during 2022 was \$49.4 million.

### Commercial Paper

The Company has the ability to issue, from time to time, 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 January 29, 2023 and January 30, 2022. The maximum amount of borrowings outstanding under the program during 2022 was \$130.0 million.

The commercial paper note program allows for borrowings of up to \$1,150.0 million to the extent that the Company has borrowing capacity under the multicurrency revolving credit facility included in the 2022 facilities (as defined below). Accordingly, the combined aggregate amount of (i) borrowings outstanding under the commercial paper note program and (ii) the revolving borrowings outstanding under the multicurrency revolving credit facility at any one time cannot exceed \$1,150.0 million.

## 2021 Unsecured Revolving Credit Facility

On April 28, 2021, the Company replaced its 364-day \$275.0 million United States dollar-denominated unsecured revolving credit facility, which matured on April 7, 2021 (the “2020 facility”), with a 364-day \$275.0 million United States dollar-denominated unsecured revolving credit facility (the “2021 facility”). The 2021 facility matured on April 27, 2022. The Company paid \$0.8 million and \$2.0 million of debt issuance costs in connection with the 2021 facility and 2020 facility, respectively, which were amortized over the term of the respective debt agreements. The Company had no borrowings outstanding under these facilities in 2021 or in 2022 prior to maturity on April 27, 2022.

## Long-Term Debt

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

(In millions)	2022	2021
Senior unsecured Term Loan A facility due 2027 <sup>(1)(2)</sup>	\$ 476.6	\$ —
Senior unsecured Term Loan A facility due 2024 <sup>(2)</sup>	—	513.5
7 3/4% debentures due 2023	99.9	99.8
3 5/8% senior unsecured euro notes due 2024 <sup>(2)</sup>	568.1	580.8
4 5/8% senior unsecured notes due 2025	497.0	495.7
3 1/8% senior unsecured euro notes due 2027 <sup>(2)</sup>	647.3	662.6
<b>Total</b>	<b>2,288.9</b>	<b>2,352.4</b>
Less: Current portion of long-term debt	111.9	34.8
<b>Long-term debt</b>	<b>\$ 2,177.0</b>	<b>\$ 2,317.6</b>

<sup>(1)</sup> The outstanding principal balance for the euro-denominated Term Loan A facility was €440.6 million as of January 29, 2023.

<sup>(2)</sup> 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 11, “Fair Value Measurements,” for the fair value of the Company’s long-term debt as of January 29, 2023 and January 30, 2022.

The Company’s mandatory long-term debt repayments for the next five years were as follows as of January 29, 2023:

(In millions)	
<u>Fiscal Year</u>	<u>Amount</u> <sup>(1)</sup>
2023	\$ 112.0
2024	582.4
2025	512.0
2026	12.0
2027	1,082.8

<sup>(1)</sup> 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 next five years exceed the total carrying amount of the Company’s debt as of January 29, 2023 because the carrying amount reflects the unamortized portions of debt issuance costs and the original issue discounts.

As of January 29, 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 “Closing Date”), 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. In connection with the refinancing in 2022 of the 2019 facilities (as defined below), the Company paid debt issuance costs of \$8.9 million (of which \$1.4 million was expensed as debt modification costs and \$7.5 million is being amortized over the term of the 2022 facilities) and recorded debt extinguishment costs of \$1.3 million to write off previously capitalized debt issuance costs.

The multicurrency revolving credit facility also includes amounts available for letters of credit and has a portion available for the making of swingline loans. The issuance of such letters of credit and the making of any swingline loan reduces the amount available under the multicurrency revolving credit facility. So long as certain conditions are satisfied, the Company may add one or more senior unsecured term loan facilities or increase the commitments under the revolving credit facilities by an aggregate amount not to exceed \$1,500.0 million. The lenders under the 2022 facilities are not required to provide commitments with respect to such additional facilities or increased commitments.

The Company had loans outstanding of \$476.6 million, net of debt issuance costs and based on applicable exchange rates, under the Euro TLA facility and no borrowings outstanding under the 2022 senior unsecured revolving credit facilities as of January 29, 2023.

The terms of the Euro TLA facility require the Company to make quarterly repayments of amounts outstanding, commencing with the calendar quarter ending March 31, 2023. Such required repayment amounts equal 2.50% per annum of the principal amount outstanding on the Closing Date, paid in equal installments and subject to certain customary adjustments, with the balance due on the maturity date of the Euro TLA facility. The outstanding borrowings under the 2022 facilities are prepayable at any time without penalty (other than customary breakage costs). Any voluntary repayments made by the Company would reduce the future required repayment amounts.

The Company made no payments on its term loan under the 2022 facilities during 2022. The Company made payments of \$487.8 million on its term loans under the 2019 facilities during 2022, which included \$22.5 million of mandatory payments and the \$465.3 million repayment of the 2019 facilities in connection with the refinancing of the senior credit facilities. The Company made payments of \$1,051.3 million on its term loans under the 2019 facilities during 2021, which included the repayment of the outstanding principal balance under its United States dollar-denominated Term Loan A facility (the “USD TLA facility”). The Company made payments of \$14.4 million on its term loans under the 2019 facilities during 2020.

The euro-denominated borrowings under the Euro TLA facility and multicurrency revolving credit facility bear interest at a rate per annum equal to a euro interbank offered rate (“EURIBOR”) and the euro-denominated swing line borrowings under the 2022 facilities bear interest at a rate per annum equal to an adjusted daily simple euro short term rate (“ESTR”), calculated in a manner set forth in the 2022 facilities, plus in each case an applicable margin.

The United States dollar-denominated borrowings under the 2022 facilities bear interest at a rate per annum equal to, at the Company’s option, either a base rate or an adjusted term secured overnight financing rate (“SOFR”), calculated in a manner set forth in the 2022 facilities, plus an applicable margin.

The borrowings denominated in other foreign currencies under the 2022 facilities bear interest at various indexed rates specified in the 2022 facilities and are calculated in a manner set forth in the 2022 facilities, plus an applicable margin.

The current applicable margin with respect to the Euro TLA Facility as of January 29, 2023 was 1.250%. The current applicable margin with respect to the revolving credit facilities as of January 29, 2023 was 0.125% for loans bearing interest at the base rate, Canadian prime rate or daily simple ESTR rate and 1.125% for loans bearing interest at the EURIBOR rate 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 contain customary events of default, including but not limited to nonpayment; material inaccuracy of representations and warranties; violations of covenants; certain bankruptcies and liquidations; cross-default to material indebtedness; certain material judgments; certain events related to the Employee Retirement Income Security Act of 1974, as amended; and a change in control (as defined in the 2022 facilities).

The 2022 facilities require the Company to comply with customary affirmative, negative and financial covenants, including a maximum net leverage ratio. A breach of any of these operating or financial covenants would result in a default under the 2022 facilities. If an event of default occurs and is continuing, the lenders could elect to declare all amounts then outstanding, together with accrued interest, to be immediately due and payable, which would result in acceleration of the Company's other debt.

#### 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. The 2019 facilities consisted of 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 consisting of (i) a \$675.0 million United States dollar-denominated revolving credit facility, (ii) a C\$70.0 million Canadian dollar-denominated revolving credit facility available in United States dollars or Canadian dollars, (iii) a €200.0 million euro-denominated revolving credit facility available in euro, Australian dollars and other agreed foreign currencies and (iv) a \$50.0 million United States dollar-denominated revolving credit facility available in United States dollars or Hong Kong dollars. The 2019 facilities had also previously included a \$1,093.2 million USD TLA facility. The Company repaid the remaining principal balance of \$1,029.6 million under its USD TLA facility in 2021.

The Company had entered into interest rate swap agreements designed with the intended effect of converting notional amounts of its variable rate debt obligation under the 2019 facilities to fixed rate debt. Under the terms of the agreements, for any outstanding notional amount, the Company's exposure to fluctuations in the one-month LIBOR was eliminated and the Company paid a fixed rate plus the current applicable margin. The following interest rate swap agreements were entered into or in effect during 2021 and 2020 (no interest rate swap agreements were entered into or in effect during 2022):

(In millions)

Designation Date	Commencement Date	Initial Notional Amount	Notional Amount Outstanding as of January 29, 2023	Fixed Rate	Expiration Date
March 2020	February 2021	\$ 50.0	\$ — <sup>(1)</sup>	0.562%	February 2023
February 2020	February 2021	50.0	— <sup>(1)</sup>	1.1625%	February 2023
February 2020	February 2020	50.0	— <sup>(1)</sup>	1.2575%	February 2023
August 2019	February 2020	50.0	— <sup>(1)</sup>	1.1975%	February 2022
June 2019	February 2020	50.0	— <sup>(1)</sup>	1.409%	February 2022
June 2019	June 2019	50.0	—	1.719%	July 2021
January 2019	February 2020	50.0	—	2.4187%	February 2021
November 2018	February 2019	139.2	—	2.8645%	February 2021
October 2018	February 2019	115.7	—	2.9975%	February 2021
June 2018	August 2018	50.0	—	2.6825%	February 2021

<sup>(1)</sup> The Company terminated in 2021 the interest rate swap agreements due to expire in February 2022 and February 2023 in connection with the early repayment of the outstanding principal balance under its USD TLA facility.

The 2019 facilities also required the Company to comply with customary affirmative, negative and financial covenants, including a minimum interest coverage ratio and a maximum net leverage ratio. Given the disruption to the Company's business caused by the COVID-19 pandemic and to ensure financial flexibility, the Company amended the 2019 facilities in June 2020 to provide temporary relief of certain financial covenants until the date on which a compliance certificate was

delivered for the second quarter of 2021 (the “relief period”) unless the Company elected earlier to terminate the relief period and satisfied the conditions for doing so (the “June 2020 Amendment”). The June 2020 Amendment provided for the following during the relief period, among other things, the (i) suspension of compliance with the maximum net leverage ratio through and including the first quarter of 2021, (ii) suspension of the minimum interest coverage ratio through and including the first quarter of 2021, (iii) addition of a minimum liquidity covenant of \$400.0 million, (iv) addition of a restricted payment covenant and (v) imposition of stricter limitations on the incurrence of indebtedness and liens. The limitation on restricted payments required that the Company suspend payments of dividends on its common stock and purchases of shares under its stock repurchase program during the relief period. The June 2020 Amendment also provided that during the relief period the applicable margin would be increased 0.25%. The Company terminated early, effective June 10, 2021, this temporary relief period and, as a result, the various provisions in the June 2020 Amendment described above were no longer in effect.

#### 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%. Pursuant to the indenture governing the debentures, the Company must maintain a certain level of stockholders’ equity in order to pay cash dividends and make other restricted payments, as defined in the indenture governing the debentures. The debentures are not redeemable at the Company’s option prior to maturity.

The 7 3/4% debentures due 2023 include a “negative lien” covenant that generally requires the debentures to be secured on an equal and ratable basis with secured indebtedness of the Company, as well as limits the Company’s ability to engage in sale/leaseback transactions.

#### 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, of which €175.0 million principal amount was issued on April 24, 2020. Interest on the notes is payable in euros. The Company paid €2.8 million (\$3.0 million based on exchange rates in effect on the payment date) of fees in connection with the issuance of the additional €175.0 million notes, which are being amortized over the term of the notes. 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.

The Company’s ability to create liens on the Company’s assets or engage in sale/leaseback transactions is restricted as defined in the indenture governing the notes.

#### 4 5/8% Senior Notes Due 2025

The Company issued on July 10, 2020, \$500.0 million principal amount of 4 5/8% senior notes due July 10, 2025. The interest rate payable on the notes is subject to adjustment if either Standard & Poor’s or Moody’s, or any substitute rating agency, as defined in the indenture governing the notes, downgrades the credit rating assigned to the notes. The Company paid \$6.2 million of fees in connection with the issuance of the notes, which are being amortized over the term of the notes. 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.

The Company’s ability to create liens on the Company’s assets or engage in sale/leaseback transactions is restricted as defined in the indenture governing the notes.

#### 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. Interest on the notes is payable in euros. 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 ability to create liens on the Company’s assets or engage in sale/leaseback transactions is restricted as defined in the indenture governing the notes.



As of January 29, 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 \$74.2 million of these standby letters of credit outstanding as of January 29, 2023.

Interest paid was \$82.1 million, \$96.8 million and \$111.2 million during 2022, 2021 and 2020, respectively.

## 9. INCOME TAXES

The domestic and foreign components of income (loss) before income taxes were as follows:

(In millions)	2022	2021	2020
Domestic	\$ (404.9)	\$ (120.3)	\$ (1,248.7)
Foreign	793.1	1,093.0	55.7
Total	<u>\$ 388.2</u>	<u>\$ 972.7</u>	<u>\$ (1,193.0)</u>

The income before income taxes in 2022 includes a \$417.1 million noncash goodwill impairment recorded in conjunction with the Company's annual goodwill impairment testing. The (loss) before income taxes in 2020 was due to the significant adverse impacts of the COVID-19 pandemic on the Company's business, including \$1,027.7 million of noncash impairment charges.

Taxes paid were \$254.5 million, \$155.4 million and \$130.7 million in 2022, 2021 and 2020, respectively.

The provision (benefit) for income taxes attributable to income (loss) consisted of the following:

(In millions)	2022	2021	2020
Federal:			
Current	\$ (6.9)	\$ (87.7)	\$ (22.2)
Deferred	(5.1)	(51.4) <sup>(1)</sup>	(103.5)
State and local:			
Current	(6.2)	19.6	3.1
Deferred	0.8	(21.7)	(19.0)
Foreign:			
Current	191.1	153.7	108.3
Deferred	14.1	8.2 <sup>(2)</sup>	(22.2) <sup>(3)</sup>
Total	<u>\$ 187.8</u>	<u>\$ 20.7</u>	<u>\$ (55.5)</u>

<sup>(1)</sup> Includes a \$106.3 million benefit related to a tax accounting method change made in conjunction with the Company's 2020 U.S. federal income tax return that provides additional tax benefits to the foreign components of the federal income tax provision.

<sup>(2)</sup> Includes a \$32.3 million benefit related to the remeasurement of certain net deferred tax assets in connection with the expiration of the special tax rates at the end of 2021.

<sup>(3)</sup> Includes a \$33.1 million expense related to the remeasurement of certain net deferred tax liabilities in connection with the enactment of legislation in the Netherlands known as the "2021 Dutch Tax Plan," which became effective on January 1, 2021.

The provision (benefit) for income taxes for the years 2022, 2021 and 2020 was different from the amount computed by applying the statutory United States federal income tax rate to the underlying income (loss) as follows:

	2022	2021	2020
Statutory federal income tax rate	21.0 %	21.0 %	21.0 %
State and local income taxes, net of federal income tax benefit	1.1 %	(0.1)%	1.7 %
Effects of international jurisdictions, including foreign tax credits	1.6 %	(8.0)%	(2.2)%
Change in estimates for uncertain tax positions	(2.2)%	(9.7)%	2.1 %
Change in valuation allowance	1.2 %	0.7 %	0.9 %
Tax accounting method change	— %	(10.9)%	— %
Tax on foreign earnings (GILTI and FDII)	1.2 %	7.6 %	(5.9)%
Goodwill impairment	22.3 %	— %	(13.3)%
Excess tax expense (benefits) related to stock-based compensation	0.5 %	— %	(0.4)%
Other, net	1.7 %	1.5 %	0.8 %
Effective income tax rate	48.4 %	2.1 %	4.7 %

The Company files income tax returns in more than 40 international jurisdictions each year. A substantial amount of the Company's earnings are in international jurisdictions, particularly the Netherlands and Hong Kong SAR, where income tax rates, when coupled with special rates levied on income from certain of the Company's jurisdictional activities, have historically been lower than the United States statutory income tax rate. The benefit of special rates, which expired at the end of 2021, are reflected above in Effects of international jurisdictions, including foreign tax credits.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act, with tax provisions primarily focused on implementing a 15% corporate minimum tax based on global adjusted financial statement income and a 1% excise tax on share repurchases. The corporate minimum tax will be effective in fiscal 2023 and the excise tax was effective January 1, 2023. Based on the Company's current analysis, it does not expect the new law to have a material impact on its consolidated financial statements.

The United States government enacted the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") on March 27, 2020, which included various income tax provisions aimed at providing economic relief. The Company had a slight favorable cash flow impact as a result of the deferral of income tax payments under the CARES Act in 2020.

The components of deferred income tax assets and liabilities were as follows:

(In millions)	2022	2021
Gross deferred tax assets		
Tax loss and credit carryforwards	\$ 143.6	\$ 131.7
Operating lease liabilities	378.9	401.5
Employee compensation and benefits	59.9	111.8
Inventories	44.6	42.6
Accounts receivable	12.9	24.2
Accrued expenses	15.4	18.2
Property, plant and equipment	242.3	208.4
Other, net	17.2	—
Subtotal	914.8	938.4
Valuation allowances	(72.9)	(69.3)
Total gross deferred tax assets, net of valuation allowances	\$ 841.9	\$ 869.1
Gross deferred tax liabilities		
Intangibles	\$ (807.1)	\$ (828.8)
Operating lease right-of-use assets	(340.0)	(352.8)
Derivative financial instruments	(18.5)	(11.1)
Other, net	—	(4.2)
Total gross deferred tax liabilities	\$ (1,165.6)	\$ (1,196.9)
Net deferred tax liability	<u>\$ (323.7)</u>	<u>\$ (327.8)</u>

At the end of 2022, the Company had on a tax-effected basis approximately \$173.0 million of net operating loss and tax credit carryforwards available to offset future taxable income in various jurisdictions. The carryforwards expire principally between 2023 and 2042.

The Company's intent is to reinvest indefinitely substantially all of its historical foreign earnings outside of the United States. However, if the Company decides at a later date to repatriate these earnings to the United States, the Company may be required to accrue and pay additional taxes, including any applicable foreign withholding tax and United States state income taxes. 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.

Uncertain tax positions activity for each of the last three years was as follows:

(In millions)	2022	2021	2020
Balance at beginning of year	\$ 127.8	\$ 210.7	\$ 219.9
Increases related to prior year tax positions	12.4	2.6	5.4
Decreases related to prior year tax positions	(12.3)	(0.2)	(2.9)
Increases related to current year tax positions	2.7	15.5	10.9
Lapses in statute of limitations	(12.0)	(93.3)	(30.7)
Effects of foreign currency translation	(3.9)	(7.5)	8.1
Balance at end of year	<u>\$ 114.7</u>	<u>\$ 127.8</u>	<u>\$ 210.7</u>

The entire amount of uncertain tax positions as of January 29, 2023, if recognized, would reduce the future effective tax rate under current accounting guidance.

Interest and penalties related to uncertain tax positions are recorded in the Company's income tax provision. Interest and penalties recognized in the Company's Consolidated Statements of Operations for 2022, 2021 and 2020 totaled an expense of \$0.9 million, a benefit of \$7.4 million and an expense of \$2.3 million, respectively. Interest and penalties accrued in the Company's Consolidated Balance Sheets as of January 29, 2023 and January 30, 2022 totaled \$20.1 million and \$19.9 million, respectively. The Company recorded its liabilities for uncertain tax positions principally in accrued expenses and other liabilities in its Consolidated Balance Sheets.

The Company files income tax returns in the United States and in various foreign, state and local jurisdictions. Most examinations have been completed by tax authorities or the statute of limitations has expired for United States federal, foreign, state and local income tax returns filed by the Company for years through 2006. It is reasonably possible that a reduction of uncertain tax positions of up to \$45.0 million may occur within the next 12 months.

## **10. 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 also has exposure to interest rate volatility related to its 2022 facilities borrowings, and previously had exposure to interest rate volatility related to its 2019 facilities borrowings, which bear interest at a rate equal to an applicable margin plus a variable rate. The Company had entered into interest rate swap agreements to hedge against a portion of the exposure related to its term loans under its 2019 facilities. No interest rate swap agreements were outstanding as of January 29, 2023 and January 30, 2022. As of January 29, 2023, approximately 80% of the Company's long-term debt was at a fixed interest rate, with the remaining (euro-denominated) balance at a variable rate. Please see Note 8, "Debt," for further discussion of the 2022 and 2019 facilities and these agreements.

The Company records the foreign currency forward exchange contracts and interest rate swap agreements 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 and any interest rate swap agreements are designated as effective hedging instruments (collectively, "cash flow hedges"). As such, the changes in the fair value of the cash flow hedges are recorded in equity as a component of AOCL. No amounts were excluded from effectiveness testing.

During 2021, the Company dedesignated certain cash flow hedges in connection with the repayment of the outstanding principal balance under its USD TLA facility, as the underlying interest payments were no longer probable to occur, which resulted in the release of a \$1.5 million loss from AOCL into the Company's Consolidated Statement of Operations. During 2020, the Company dedesignated certain cash flow hedges due to the impacts of the COVID-19 pandemic on its business, which resulted in the release of an immaterial gain from AOCL into the Company's Consolidated Statement of Operations. The Company continues to believe as of January 29, 2023 that transactions relating to its designated cash flow hedges are probable to occur.

### 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 8, "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 \$1,192.0 million and \$1,215.4 million, respectively, as of January 29, 2023 and \$1,361.7 million and \$1,243.4 million, respectively, as of January 30, 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			
	2022		2021		2022		2021	
	Other Current Assets	Other Assets	Other Current Assets	Other Assets	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities
Contracts designated as cash flow hedges:								
Foreign currency forward exchange contracts (inventory purchases)	\$ 15.7	\$ 0.1	\$ 48.0	\$ 2.7	\$ 20.7	\$ 2.2	\$ 0.6	\$ —
Undesignated contracts:								
Foreign currency forward exchange contracts	—	—	5.6	—	12.5	—	1.1	—
Total	<u>\$ 15.7</u>	<u>\$ 0.1</u>	<u>\$ 53.6</u>	<u>\$ 2.7</u>	<u>\$ 33.2</u>	<u>\$ 2.2</u>	<u>\$ 1.7</u>	<u>\$ —</u>

The notional amount outstanding of foreign currency forward exchange contracts was \$1,492.6 million at January 29, 2023. Such contracts expire principally between February 2023 and July 2024.

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

(In millions)	(Loss) Gain Recognized in Other Comprehensive (Loss) Income		
	2022	2021	2020
Foreign currency forward exchange contracts (inventory purchases)	\$ (48.3)	\$ 109.2	\$ (57.3)
Interest rate swap agreements	—	0.2	(9.9)
Foreign currency borrowings (net investment hedges)	30.4	111.3	(125.0)
Total	<u>\$ (17.9)</u>	<u>\$ 220.7</u>	<u>\$ (192.2)</u>

	Amount of Gain (Loss) Reclassified from AOCL into Income (Expense), Consolidated Statements of Operations Location, and Total Amount of Consolidated Statements of Operations Line Item						
	Amount Reclassified			Location	Total Statements of Operations Amount		
(In millions)	2022	2021	2020		2022	2021	2020
Foreign currency forward exchange contracts (inventory purchases)	\$ 27.6	\$ (1.8)	\$ 12.5	Cost of goods sold	\$ 3,901.3	\$ 3,830.6	\$ 3,355.8
Interest rate swap agreements	—	(1.5)	—	SG&A expenses	4,377.4	4,453.9	3,983.2
Interest rate swap agreements	—	(3.0)	(11.0)	Interest expense	89.6	108.6	125.5
Total	\$ 27.6	\$ (6.3)	\$ 1.5				

<sup>(1)</sup> The Company dedesignated certain cash flow hedges related to its interest rate swap agreements during 2021 as discussed in the section entitled “Cash Flow Hedges” above.

A net gain in AOCL on foreign currency forward exchange contracts at January 29, 2023 of \$16.6 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. No amounts remained in AOCL related to interest rate swap agreements as of January 29, 2023.

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)	Gain (Loss) Recognized in SG&A Expenses		
	2022	2021	2020
Foreign currency forward exchange contracts	\$ 11.4	\$ 14.7	\$ (11.8)

The Company dedesignated certain cash flow hedges related to its interest rate swap agreements during 2021 as discussed in the section entitled “Cash Flow Hedges” above. Following the dedesignation, the effect of these interest rate swap agreements recognized in SG&A expenses in the Company’s Consolidated Statement of Operations was immaterial in 2021.

The Company had no derivative financial instruments with credit risk-related contingent features underlying the related contracts as of January 29, 2023.

## 11. FAIR VALUE MEASUREMENTS

In accordance with accounting principles generally accepted in the United States, 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)	2022				2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets:</b>								
Foreign currency forward exchange contracts	N/A	\$ 15.8	N/A	\$ 15.8	N/A	\$ 56.3	N/A	\$ 56.3
Rabbi trust assets	1.5	5.7	N/A	7.2	—	0.3	N/A	0.3
<b>Total Assets</b>	<b>\$ 1.5</b>	<b>\$ 21.5</b>	<b>N/A</b>	<b>\$ 23.0</b>	<b>N/A</b>	<b>\$ 56.6</b>	<b>N/A</b>	<b>\$ 56.6</b>
<b>Liabilities:</b>								
Foreign currency forward exchange contracts	N/A	\$ 35.4	N/A	\$ 35.4	N/A	\$ 1.7	N/A	\$ 1.7
<b>Total Liabilities</b>	<b>N/A</b>	<b>\$ 35.4</b>	<b>N/A</b>	<b>\$ 35.4</b>	<b>N/A</b>	<b>\$ 1.7</b>	<b>N/A</b>	<b>\$ 1.7</b>

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 Level 1 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 fair value of the Level 2 rabbi trust assets, which consist of investments in common collective trust funds, is valued at the net asset value of the funds, as determined by the fund family. Funds are redeemable on a daily basis without restriction.

The Company established a rabbi trust that, beginning January 1, 2022, holds investments related to the Company's supplemental savings plan. The rabbi trust assets, which generally mirror the investment elections made by eligible plan participants, were \$7.2 million and \$0.3 million as of January 29, 2023 and January 30, 2022, respectively, and recorded in the Company's Consolidated Balance Sheets as follows: \$0.7 million and \$6.5 million were included in other current assets and other assets, respectively, as of January 29, 2023, and \$0.3 million was included in other assets as of January 30, 2022. The corresponding deferred compensation liability was included in accrued expenses and other liabilities in the Company's Consolidated Balance Sheets as of January 29, 2023 and January 30, 2022. Unrealized losses recognized on the rabbi trust investments were immaterial during 2022 and 2021.

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 tables show 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 2022, 2021 and 2020, and the total impairments recorded as a result of the remeasurement process:

(In millions)	Fair Value Measurement Using			Fair Value As Of	Total
	Level 1	Level 2	Level 3	Impairment Date	Impairments
<b>2022</b>					
Operating lease right-of-use assets	N/A	N/A	\$ 3.0	\$ 3.0	\$ 27.4
Property, plant and equipment, net	N/A	N/A	0.3	0.3	24.3
Goodwill	N/A	N/A	41.0	41.0	417.1
<b>2021</b>					
Operating lease right-of-use assets	N/A	N/A	14.3	14.3	21.2
Property, plant and equipment, net	N/A	N/A	0.6	0.6	25.8
<b>2020</b>					
Operating lease right-of-use assets	N/A	N/A	110.5	110.5	28.2
Property, plant and equipment, net	N/A	N/A	2.7	2.7	53.7
Goodwill	N/A	N/A	652.6	652.6	879.0
Tradenames	N/A	N/A	48.7	48.7	47.2
Other intangible assets, net	N/A	N/A	—	—	7.3
Investments in unconsolidated affiliates	N/A	N/A	—	—	12.3

Operating lease right-of-use assets with a carrying amount of \$30.4 million and property, plant and equipment with a carrying amount of \$24.6 million were written down to their fair values of \$3.0 million and \$0.3 million, respectively, during 2022, primarily in connection with the Company's decision in the second quarter of 2022 to exit from its Russia business, and the financial performance in certain of the Company's retail stores. Please see Note 17, "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 related to its Russia business were determined to be zero in line with the Company's estimated future cash flows for the Russia business asset group. Fair value of the Company's other operating lease right-of-use assets was determined based on the discounted cash flows of the estimated market rents. Fair value of the Company's other property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using sales trends and market participant assumptions.

Goodwill with a carrying amount of \$458.1 million was written down to a fair value of \$41.0 million during 2022. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

The \$468.8 million of impairment charges during 2022 were recorded in the Company's Consolidated Statement of Operations, of which \$417.1 was included in goodwill and other intangible asset impairments and \$51.7 million was included in SG&A expenses. The \$468.8 million of impairment charges were recorded to the Company's segments as follows: \$177.8 million in the Tommy Hilfiger North America segment, \$163.8 million in the Calvin Klein North America segment, \$89.5 million in the Calvin Klein International segment, \$35.7 million in the Tommy Hilfiger International segment and \$2.0 million in corporate expenses not allocated to any reportable segments.

Operating lease right-of-use assets with a carrying amount of \$35.5 million and property, plant and equipment with a carrying amount of \$26.4 million were written down to their fair values of \$14.3 million and \$0.6 million, respectively, during 2021, primarily as a result of actions taken by the Company to reduce its real estate footprint, including reductions in office space, and the financial performance in certain of the Company's retail stores. Please see Note 17, "Exit Activity Costs," for further discussion of the 2021 reductions in workforce and real estate footprint activities. Fair value of the Company's operating lease right-of-use assets was determined based on the discounted cash flows of estimated sublease income using market participant assumptions, which considered the short length of the remaining lease term for certain of these assets, and current real estate trends and market conditions. Fair value of the Company's property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using sales trends and market participant assumptions.



The \$47.0 million of impairment charges during 2021 were included in SG&A expenses in the Company's Consolidated Statement of Operations and recorded to the Company's segments as follows: \$7.2 million in the Tommy Hilfiger International segment, \$2.8 million in the Calvin Klein International segment, \$1.5 million in the Heritage Brands Wholesale segment, \$1.4 million in the Tommy Hilfiger North America segment, \$0.4 million in the Calvin Klein North America segment and \$33.7 million in corporate expenses not allocated to any reportable segments.

Property, plant and equipment with a carrying amount of \$17.1 million was written down to a fair value of \$1.1 million during the first quarter of 2020, primarily due to the adverse impacts of the COVID-19 pandemic on the Company's retail stores with lease terms that were due to expire by the end of fiscal 2021 with no intention of renewal, including temporary store closures and reduced traffic, occupancy and consumer spending trends. Fair value of the Company's property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using sales trends and market participant assumptions.

Operating lease right-of-use assets with a carrying amount of \$138.7 million and property, plant and equipment with a carrying amount of \$32.1 million were written down to their fair values of \$110.5 million and \$1.6 million, respectively, during the fourth quarter of 2020. These impairments were primarily due to the adverse impacts of the pandemic on the financial performance of certain of the Company's retail stores and the shift in consumer buying trends from brick and mortar retail stores to digital channels. Fair value of the Company's operating lease right-of-use assets was determined based on the discounted cash flows of the estimated market rents. Fair value of the Company's property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using sales trends and market participant assumptions.

Property, plant and equipment with a carrying amount of \$7.2 million was written down to a fair value of zero during 2020 in connection with the exit from the Heritage Brands Retail business. Please see Note 17, "Exit Activity Costs," for further discussion of the Heritage Brands Retail exit costs. Fair value of the Company's Heritage Brands Retail business property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using sales trends and market participant assumptions.

Goodwill with a carrying amount of \$1,531.6 million was written down to a fair value of \$652.6 million during 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

Tradenames with a carrying amount of \$95.9 million were written down to a fair value of \$48.7 million during 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

Other intangible assets with a carrying amount of \$7.3 million were written down to a fair value of zero during 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

The Company's then-owned equity method investment in Karl Lagerfeld with a carrying amount of \$12.3 million was written down to a fair value of zero during 2020. Please see Note 5, "Investments in Unconsolidated Affiliates," for further discussion.

The \$1,027.7 million of impairment charges during 2020 were recorded in the Company's Consolidated Statement of Operations, of which \$933.5 million was included in goodwill and other intangible asset impairments, \$81.9 million was included in SG&A expenses, and \$12.3 million was included in equity in net income (loss) of unconsolidated affiliates. The \$1,027.7 million of impairment charges were recorded to the Company's segments as follows: \$414.7 million in the Calvin Klein International segment, \$304.1 million in the Calvin Klein North America segment, \$249.6 million in the Heritage Brands Wholesale segment, \$30.0 million in the Tommy Hilfiger International segment, \$11.0 million in the Heritage Brands Retail segment, \$6.0 million in the Tommy Hilfiger North America segment and \$12.3 million was recorded in corporate expenses not allocated to any reportable segments.

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)	2022		2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 550.7	\$ 550.7	\$ 1,242.5	\$ 1,242.5
Short-term borrowings	46.2	46.2	10.8	10.8
Long-term debt (including portion classified as current)	2,288.9	2,262.3	2,352.4	2,522.4

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 year. 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.

## 12. RETIREMENT AND BENEFIT PLANS

The Company, as of January 29, 2023, has two noncontributory qualified defined benefit pension plans covering 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. The plan is frozen and, as a result, participants do not accrue additional benefits.
- 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 shortly after, employment termination or retirement.

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

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, which are unfunded and frozen. The Company refers to these plans as its "Postretirement Plans."

Reconciliations of the changes in the projected benefit obligation (Pension Plans and SERP Plans) and the accumulated benefit obligation (Postretirement Plans) were as follows:

(In millions)	Pension Plans		SERP Plans		Postretirement Plans	
	2022	2021	2022	2021	2022	2021
Balance at beginning of year	\$ 785.2	\$ 840.5	\$ 93.3	\$ 121.7	\$ 5.6	\$ 6.3
Service cost, net of plan expenses	29.3	38.1	2.5	4.7	—	—
Interest cost	25.3	24.8	2.8	3.3	0.1	0.1
Benefit payments	(72.4)	(48.7)	(35.6)	(24.5)	—	—
Benefit payments, net of retiree contributions	—	—	—	—	(0.6)	(0.7)
Special termination benefits	—	0.5	—	1.8	—	—
Heritage Brands transaction gain	—	(1.5)	—	(0.3)	—	—
Actuarial gain	(194.2)	(68.5)	(6.7)	(13.4)	(1.1)	(0.1)
Balance at end of year	<u>\$ 573.2</u>	<u>\$ 785.2</u>	<u>\$ 56.3</u>	<u>\$ 93.3</u>	<u>\$ 4.0</u>	<u>\$ 5.6</u>

Service cost on the Pension Plans decreased in 2022 compared to 2021 primarily due to revised plan assumptions, mostly related to termination rates, based upon recent trends and management's future expectations.

The increase in benefit payments in 2022 for both the Pension Plans and the SERP Plans was due to lump sum payments of accrued benefits to certain vested senior executives who retired or terminated their employment in 2021 and early 2022.

The actuarial gains included in the projected benefit obligation (Pension Plans and SERP Plans) in 2022 were due principally to an increase in the discount rate. The actuarial gains included in the projected benefit obligation (Pension Plans and SERP Plans) in 2021 were due principally to an increase in the discount rate and an update to plan assumptions, mostly related to termination rates, based on recent trends and management's future expectations.

The Company completed the Heritage Brands transaction on the first day of the third quarter of 2021. In connection with the sale, the employment of certain employees based in the United States engaged in the Heritage Brands business was terminated during the third quarter of 2021. However, the Company retained the liability for any deferred vested benefits earned by these employees under its retirement plans. No further benefits were to be accrued under the plans for these employees and as a result, the Company recognized a gain of \$1.8 million during the third quarter of 2021, with a corresponding decrease to its pension benefit obligation. For certain eligible employees affected by the transaction, the Company provided an enhanced retirement benefit and as a result recognized \$1.4 million of special termination benefit costs during the third quarter of 2021 with a corresponding increase to its pension benefit obligation. These amounts were included in other (gain) loss, net in the Company's Consolidated Statement of Operations. Please see Note 3, "Acquisitions and Divestitures," for further discussion of the Heritage Brands transaction.

The Company provided enhanced retirement benefits to terminated employees in 2021 and as a result recognized \$0.9 million of special termination benefit costs with a corresponding increase to its pension benefit obligation.

Reconciliations of the fair value of the assets held by the Pension Plans and the funded status were as follows:

(In millions)	2022	2021
Fair value of plan assets at beginning of year	\$ 726.3	\$ 765.8
Actual return, net of plan expenses	(83.9)	9.2
Benefit payments	(72.4)	(48.7)
Company contributions	0.2	—
Fair value of plan assets at end of year	<u>\$ 570.2</u>	<u>\$ 726.3</u>
Funded status at end of year	<u>\$ (3.0)</u>	<u>\$ (58.9)</u>

Amounts recognized in the Company's Consolidated Balance Sheets were as follows:

(In millions)	Pension Plans		SERP Plans		Postretirement Plans	
	2022	2021	2022	2021	2022	2021
Current liabilities	\$ —	\$ —	\$ (7.3)	\$ (35.6)	\$ (0.6)	\$ (0.7)
Non-current liabilities	(3.0)	(58.9)	(49.0)	(57.7)	(3.4)	(4.9)
Net amount recognized	<u>\$ (3.0)</u>	<u>\$ (58.9)</u>	<u>\$ (56.3)</u>	<u>\$ (93.3)</u>	<u>\$ (4.0)</u>	<u>\$ (5.6)</u>

In 2021, SERP Plans current liabilities include the expected benefit payments to certain vested senior executives who retired or terminated their employment in 2021 or who in 2021 announced their retirement or termination of their employment in 2022.

The components of net benefit cost recognized were as follows:

(In millions)	Pension Plans			SERP Plans			Postretirement Plans		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Service cost	\$ 31.3	\$ 40.1	\$ 45.0	\$ 2.5	\$ 4.7	\$ 5.7	\$ —	\$ —	\$ —
Interest cost	25.3	24.8	25.5	2.8	3.3	3.5	0.1	0.1	0.2
Actuarial gain	(70.6)	(35.2)	(60.0)	(6.7)	(13.4)	(3.7)	(1.1)	(0.1)	(0.8)
Expected return on plan assets	(41.7)	(44.5)	(43.6)	—	—	—	—	—	—
Special termination benefits	—	0.5	1.1	—	1.8	1.9	—	—	—
Heritage Brands transaction gain	—	(1.5)	—	—	(0.3)	—	—	—	—
Speedo deconsolidation gain	—	—	(2.2)	—	—	(0.6)	—	—	—
Total	<u>\$ (55.7)</u>	<u>\$ (15.8)</u>	<u>\$ (34.2)</u>	<u>\$ (1.4)</u>	<u>\$ (3.9)</u>	<u>\$ 6.8</u>	<u>\$ (1.0)</u>	<u>\$ —</u>	<u>\$ (0.6)</u>

The actuarial gains in net benefit cost in 2022 were due principally to an increase in the discount rate partially offset by the difference between the actual and expected returns on plan assets for the Pension Plans. The actuarial gains in net benefit cost in 2021 were due principally to (i) an increase in the discount rate and (ii) updated plan assumptions, mostly related to termination rates, based on recent trends and management's future expectations, partially offset by (iii) the difference between the actual and expected returns on plan assets for the Pension Plans. The actuarial gains included in net benefit cost in 2020 were due principally to the (i) difference between the actual and expected returns on plan assets for the Pension Plans, (ii) the reduction in plan participants due to the North America workforce reduction, and (iii) updated mortality assumptions, which more than offset the impact of a decline in the discount rate.

The Company announced in July 2020 plans to streamline its North American operations to better align its business with the evolving retail landscape. The Company's actions included a reduction in its North America office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions. For certain eligible employees affected by the workforce reduction, the Company provided an enhanced retirement benefit and as a result recognized \$3.0 million of special termination benefit costs during 2020, with a corresponding increase to its pension benefit obligation. Please see Note 17, "Exit Activity Costs," for further discussion of these actions.

Upon the closing of the Speedo transaction, employees based in the United States who were engaged primarily in the Speedo North America business terminated their employment with the Company. However, the Company retained the liability for any deferred vested benefits earned by these employees under its retirement plans. No further benefits were to be accrued under the plans and as a result, the Company recognized a gain of \$2.8 million in the first quarter of 2020 with a corresponding decrease to its pension benefit obligation. The gain was included in other (gain) loss, net in the Company's Consolidated Statement of Operations. Please see Note 3, "Acquisitions and Divestitures," for further discussion of the sale of the Speedo North America business.

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 SG&A expenses, (ii) the Heritage Brands transaction gain and the related special termination benefit costs, as well as the Speedo deconsolidation gain components, are recorded in other (gain) loss, net and (iii) the other components are recorded in non-service related pension and postretirement income.

Amortization of prior service cost recognized in other comprehensive (loss) income for Pension Plans was immaterial during 2022, 2021 and 2020.

Pre-tax amounts in AOCL that had not yet been recognized as components of net benefit cost in the Pension Plans were immaterial as of January 29, 2023 and January 30, 2022.

The accumulated benefit obligations (Pension Plans and SERP Plans) were as follows:

(In millions)	Pension Plans		SERP Plans	
	2022	2021	2022	2021
Accumulated benefit obligation	\$ 547.0	\$ 746.4	\$ 52.7	\$ 85.3

As of January 29, 2023, both of the Company's Pension Plans had projected benefit obligations in excess of plan assets and one of the Company's Pension Plans had accumulated benefit obligations in excess of plan assets. As of January 30, 2022, both of the Company's Pension Plans had projected benefit obligations and accumulated benefit obligations in excess of plan assets. The balances were as follows:

(In millions, except plan count)	2022	2021
Number of plans with projected benefit obligations in excess of plan assets	2	2
Aggregate projected benefit obligation	\$ 573.2	\$ 785.2
Aggregate fair value of related plan assets	\$ 570.2	\$ 726.3
Number of plans with accumulated benefit obligations in excess of plan assets	1	2
Aggregate accumulated benefit obligation	\$ 2.6	\$ 746.4
Aggregate fair value of related plan assets	\$ 2.5	\$ 726.3

As of January 29, 2023 and January 30, 2022, all of the Company's SERP Plans had projected benefit obligations and accumulated benefit obligations in excess of plan assets as the plans are unfunded.

Significant weighted average rate assumptions used in determining the projected and accumulated benefit obligations at the end of each year and benefit cost in the following year were as follows:

	2022	2021	2020
Discount rate (applies to Pension Plans and SERP Plans)	5.19 %	3.31 %	3.04 %
Discount rate (applies to Postretirement Plans)	4.98 %	2.89 %	2.29 %
Rate of increase in compensation levels (applies to Pension Plans)	4.00 %	4.00 %	4.25 %
Expected long-term rate of return on assets (applies to Pension Plans)	6.25 %	6.00 %	6.00 %

To develop the expected long-term rate of return on assets assumption, the Company considered the historical level of the risk premium associated with the asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation.

The assets of the Pension Plans are invested with the objective of being able to meet current and future benefit payment needs, while managing future contributions. The investment policy aims to earn a reasonable rate of return while minimizing the risk of large losses. Assets are diversified by asset class in order to reduce volatility of overall results from year to year and to take advantage of various investment opportunities. The assets of the Pension Plans are diversified among United States equities, international equities, fixed income investments and cash. The strategic target allocation for the Pension Plans as of January 29, 2023 was approximately 40% United States equities, 20% international equities and 40% fixed income investments and cash. Equity securities primarily include investments in large-, mid- and small-cap companies located in the United States and abroad. Fixed income securities include corporate bonds of companies from diversified industries, municipal bonds, collective funds and United States Treasury bonds. Actual investment allocations may vary from the Company's target investment allocations due to prevailing market conditions.

In accordance with the fair value hierarchy described in Note 11, “Fair Value Measurements,” the following tables show the fair value of the total assets of the Pension Plans for each major category as of January 29, 2023 and January 30, 2022:

(In millions)

		Fair Value Measurements as of January 29, 2023 <sup>(1)</sup>		
Asset Category	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity securities:				
United States equities <sup>(2)</sup>	\$ 150.5	\$ 150.5	\$ —	\$ —
International equities <sup>(2)</sup>	12.8	12.8	—	—
United States equity fund <sup>(3)</sup>	63.4	—	63.4	—
International equity funds <sup>(4)</sup>	119.4	65.3	54.1	—
Fixed income securities:				
Government securities <sup>(5)</sup>	62.0	—	62.0	—
Corporate securities <sup>(5)</sup>	147.4	—	147.4	—
Short-term investment funds <sup>(6)</sup>	15.5	—	15.5	—
Subtotal	\$ 571.0	\$ 228.6	\$ 342.4	\$ —
Other assets and liabilities <sup>(7)</sup>	(0.8)			
Total	<u>\$ 570.2</u>			

(In millions)

		Fair Value Measurements as of January 30, 2022 <sup>(1)</sup>		
Asset Category	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity securities:				
United States equities <sup>(2)</sup>	\$ 186.8	\$ 186.8	\$ —	\$ —
International equities <sup>(2)</sup>	19.8	19.8	—	—
United States equity fund <sup>(3)</sup>	73.3	—	73.3	—
International equity funds <sup>(4)</sup>	155.1	73.6	81.5	—
Fixed income securities:				
Government securities <sup>(5)</sup>	62.5	—	62.5	—
Corporate securities <sup>(5)</sup>	192.2	—	192.2	—
Short-term investment funds <sup>(6)</sup>	35.0	—	35.0	—
Subtotal	\$ 724.7	\$ 280.2	\$ 444.5	\$ —
Other assets and liabilities <sup>(7)</sup>	1.6			
Total	<u>\$ 726.3</u>			

<sup>(1)</sup> The Company uses third party pricing services to determine the fair values of the financial instruments held by the pension plans. The Company obtains an understanding of the pricing services valuation methodologies and related inputs and validates a sample of prices by reviewing prices from other sources. The Company has not adjusted any prices received from the third party pricing services.

<sup>(2)</sup> Valued at the closing price or unadjusted quoted price in the active market in which the individual securities are traded.

<sup>(3)</sup> Valued at the net asset value of the fund, as determined by a pricing vendor or the fund family. The Company has the ability to redeem this investment at net asset value within the near term and therefore classifies this investment

within Level 2. This commingled fund invests in United States large cap equities of companies that track the Russell 1000 Index.

- (4) Valued at the net asset value of the fund, either as determined by the closing price in the active market in which the individual fund is traded and classified within Level 1, or as determined by a pricing vendor or the fund family and classified within Level 2. This category includes funds that invest in equities of companies outside of the United States.
- (5) Valued with bid evaluation pricing where the inputs are based on actual trades in active markets, when available, as well as observable market inputs that include actual and comparable trade data, market benchmarks, broker quotes, trading spreads and/or other applicable data.
- (6) Valued at the net asset value of the funds, as determined by a pricing vendor or the fund family. The Company has the ability to redeem these investments at net asset value within the near term and therefore classifies these investments within Level 2. These funds invest in high-grade, short-term, money market instruments.
- (7) This category includes other pension assets and liabilities such as pending trades and accrued income.

The Company believes that there are no significant concentrations of risk within the plan assets as of January 29, 2023.

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. The expected benefit payments associated with the Pension Plans and SERP Plans, and expected benefit payments, net of retiree contributions, associated with the Postretirement Plans are as follows:

(In millions)

Fiscal Year	Pension Plans	SERP Plans	Postretirement Plans
2023	\$ 43.0	\$ 7.3	\$ 0.6
2024	45.1	6.0	0.5
2025	45.5	6.7	0.5
2026	44.8	5.8	0.4
2027	45.1	5.9	0.4
2028-2032	225.8	25.4	1.5

The Company has savings and retirement plans and a supplemental savings plan for the benefit of its eligible employees in the United States who elect to participate. The Company matches a portion of employee contributions to the plans. Beginning January 1, 2022, the Company makes an additional contribution to these plans for employees in the United States hired on or after that date in lieu of their participation in the Pension Plans. The Company also has defined contribution plans for certain employees in certain international locations, whereby the Company pays a percentage of the contribution for the employee. The Company's contributions to these plans were \$37.7 million, \$36.5 million and \$34.2 million in 2022, 2021 and 2020, respectively.

Beginning January 1, 2022, the Company has modified its supplemental savings plan such that participants can choose from a broader variety of investment options than were previously available for any contributions made subsequent to that date. Further, the Company has established a rabbi trust whereby the trust will hold investments that generally mirror the participants' investment elections in the supplemental savings plan after January 1, 2022. 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. As of January 29, 2023, the rabbi trust assets were \$7.2 million. See Note 11, "Fair Value Measurements" for further discussion.

### 13. STOCK-BASED COMPENSATION

The Company grants stock-based awards under its Stock Incentive Plan (the "Plan"). Shares issued as a result of stock-based compensation transactions generally have been funded with the issuance of new shares of the Company's common stock.

The Company may grant the following types of incentive awards under the Plan: (i) non-qualified stock options; (ii) incentive stock options; (iii) stock appreciation rights; (iv) restricted stock; (v) restricted stock units ("RSUs"); (vi) performance

shares; (vii) performance share units (“PSUs”); and (viii) other stock-based awards. Each award granted under the Plan is subject to an award agreement that incorporates, as applicable, the exercise price, the term of the award, the periods of restriction, the number of shares to which the award pertains, performance periods and performance measures, and such other terms and conditions as the plan committee determines. Awards granted under the Plan are classified as equity awards, which are recorded in stockholders’ equity in the Company’s Consolidated Balance Sheets. When estimating the grant date fair value of stock-based awards, the Company considers whether an adjustment is required to the closing price or the expected volatility of its common stock on the date of grant when the Company is in possession of material non-public information. No such adjustments were made to the grant date fair value of awards granted during the fiscal year ended January 29, 2023.

Through January 29, 2023, the Company has granted under the Plan (i) service-based non-qualified stock options, referred to as “stock options” below, RSUs and restricted stock; and (ii) contingently issuable PSUs and RSUs. There were no shares of restricted stock or contingently issuable RSUs outstanding as of January 29, 2023.

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. Total shares available for grant at January 29, 2023 amounted to 3.2 million shares.

Net income (loss) for 2022, 2021 and 2020 included \$46.6 million, \$46.8 million and \$50.5 million, respectively, of pre-tax expense related to stock-based compensation, with related recognized income tax benefits of \$5.9 million, \$6.2 million and \$5.9 million, respectively.

The Company receives a tax deduction for certain transactions associated with its stock-based awards. The actual income tax benefits realized from these transactions in 2022, 2021 and 2020 were \$3.7 million, \$7.6 million and \$3.0 million, respectively. The tax benefits realized included discrete net excess tax deficiencies of \$2.0 million and \$5.4 million recognized in the Company’s provision for income taxes during 2022 and 2020, respectively. Discrete net excess tax benefits recognized in the Company’s provision for income taxes during 2021 were immaterial.

### Stock Options

Stock options granted to employees are generally exercisable in four equal annual installments commencing one year after the date of grant. The underlying stock option award agreements generally provide for accelerated vesting upon the award recipient’s retirement (as defined in the Plan). Such stock options are granted with a 10-year term and the per share exercise price cannot be less than the closing price of the common stock on the date of grant.

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 2022, 2021 and 2020 and the resulting weighted average grant date fair value per stock option:

	2022	2021	2020
Weighted average risk-free interest rate	2.50 %	1.24 %	0.48 %
Weighted average expected stock option term (in years)	6.25	6.25	6.25
Weighted average Company volatility	47.34 %	47.58 %	45.08 %
Expected annual dividends per share	\$ 0.15	\$ 0.15	\$ 0.15
Weighted average grant date fair value per stock option	\$ 34.27	\$ 48.28	\$ 23.05

The risk-free interest rate is based on United States Treasury yields in effect at the date of grant for periods corresponding to the expected stock option term. The expected stock option term represents the weighted average period of time that stock options granted are expected to be outstanding, based on vesting schedules and the contractual term of the stock options. Company volatility is based on the historical volatility of the Company’s common stock over a period of time corresponding to the expected stock option term. Expected dividends are based on the anticipated common stock cash dividend rate for the Company at the time of grant; the dividend assumption for the stock options granted during 2021 and 2020, was not affected by the Company’s suspension of its cash dividend beginning with the second quarter of 2020 in response to the impacts of the COVID-19 pandemic on its business and as a condition of the June 2020 Amendment that was in effect through June 10, 2021, as such suspension was viewed as temporary. Please see Note 14, “Stockholders’ Equity,” for further discussion of dividends on the Company’s common stock.



The Company has continued to utilize the simplified method to estimate the expected term for its “plain vanilla” stock options granted due to a lack of relevant historical data resulting, in part, from changes in the pool of employees receiving stock option grants. The Company will continue to evaluate the appropriateness of utilizing such method.

Stock option activity for the year was as follows:

(In thousands, except years and per stock option data)	Stock Options	Weighted Average Exercise Price Per Stock Option	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 30, 2022	688	\$ 103.40	5.0	\$ 4,576
Granted	134	71.51		
Exercised	—	—		
Forfeited / Expired	128	98.80		
Outstanding at January 29, 2023	694	\$ 98.08	4.9	\$ 5,027
Exercisable at January 29, 2023	480	\$ 108.42	3.4	\$ 1,569

The aggregate grant date fair value of stock options granted during 2022, 2021 and 2020 was \$4.6 million, \$4.6 million and \$5.8 million, respectively.

The aggregate grant date fair value of stock options that vested during 2022, 2021 and 2020 was \$1.7 million, \$7.2 million and \$5.0 million, respectively.

The aggregate intrinsic value of stock options exercised during 2021 and 2020 was \$9.7 million and \$0.7 million, respectively. There were no exercises in 2022.

At January 29, 2023, there was \$5.4 million of unrecognized pre-tax compensation expense related to non-vested stock options, which is expected to be recognized over a weighted average period of 1.8 years.

#### RSUs

RSUs granted to employees generally vest in four equal annual installments commencing one year after the date of grant, although the Company does make from time to time, and currently has outstanding, RSUs with different vesting schedules. Service-based RSUs granted to non-employee directors vest in full the earlier of one year after the date of grant or the date of the Annual Meeting of Stockholders following the year of grant. The underlying RSU award agreements for employees generally provide for accelerated vesting upon the award recipient’s retirement (as defined in the Plan). 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 year was as follows:

(In thousands, except per RSU data)	RSUs	Weighted Average Grant Date Fair Value Per RSU
Non-vested at January 30, 2022	1,176	\$ 88.09
Granted	756	70.93
Vested	427	92.11
Forfeited	180	85.60
Non-vested at January 29, 2023	1,325	\$ 77.33

The aggregate grant date fair value of RSUs granted during 2022, 2021 and 2020 was \$53.6 million, \$61.2 million and \$59.2 million, respectively. The aggregate grant date fair value of RSUs vested during 2022, 2021 and 2020 was \$39.3 million, \$50.2 million and \$41.2 million, respectively.

At January 29, 2023, there was \$69.3 million of unrecognized pre-tax compensation expense related to non-vested RSUs, which is expected to be recognized over a weighted average period of 1.7 years.

## PSUs

Contingently issuable PSUs granted to employees generally vest three years after the date of grant, subject to the satisfaction of performance conditions. The Company granted contingently issuable PSUs to certain of the Company's senior executives during the second quarters of 2022 and 2021. The final number of shares to be earned, if any, is contingent upon the Company's achievement of goals for the applicable performance period, of which (i) 50% is based upon the cumulative amount of the Company's consolidated earnings before interest and taxes ("EBIT") and (ii) 50% is based on the Company's total shareholder return during a three-year performance period from the grant date relative to a pre-established group of industry peers (which is substantially identical for grants in both years). For the 2021 award, EBIT is based on a one-year performance period (fiscal 2021) and for the 2022 award, EBIT is based on a three-year performance period (fiscal 2022 – 2024). For these awards, the Company records expense ratably over the three-year service period, with expense determined as follows: (i) EBIT-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 and (ii) 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. The grant date fair value of the awards granted was established as follows: (i) EBIT-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 the Company's common stock during the three-year service period, as these contingently issuable PSUs do not accrue dividends and (ii) TSR-based portion of the awards – using the Monte Carlo simulation model. For the EBIT-based portion of the awards granted in the second quarter of 2021, the applicable performance period ended in the fourth quarter of 2021 and the maximum level of performance was achieved. These shares will vest and be paid out subject to and following the completion of the three-year service period.

The Company also granted contingently issuable PSUs to certain of the Company's senior executives during 2019 and 2020, subject to a three-year performance period from the applicable grant date. For these awards, the final number of shares to be earned, if any, is contingent upon the Company's achievement of goals for the applicable performance period, of which (i) 50% is based upon the Company's absolute stock price growth during the applicable performance period and (ii) 50% is based upon the Company's TSR during the applicable performance period relative to other companies included in the S&P 500 as of the date of grant. For these awards, the Company records expense ratably over the three-year service period based on the grant date fair value of the awards regardless of whether the market condition is satisfied because the awards are subject to market conditions. The grant date fair value of the awards granted was established for each grant using the Monte Carlo simulation model. For awards granted in 2019, the three-year performance period ended during either the first or second quarter of 2022 and holders of the awards did not earn any shares since the market conditions were not satisfied.

The following summarizes the assumptions used to estimate the fair value of PSUs subject to market conditions that were granted during 2022, 2021 and 2020 and the resulting weighted average grant date fair value:

	2022	2021	2020
Weighted average risk-free interest rate	2.91 %	0.33 %	0.19 %
Weighted average Company volatility	64.02 %	60.69 %	51.86 %
Expected annual dividends per share	\$ 0.15	\$ 0.15	\$ 0.15
Weighted average grant date fair value per PSU	\$ 103.36	\$ 159.29	\$ 64.89

The risk-free interest rate is based on United States Treasury yields in effect at the date of grant for the term corresponding to the three-year performance period. Company volatility is based on the historical volatility of the Company's common stock over a period of time corresponding to the three-year performance period. Expected dividends are based on the anticipated common stock cash dividend rate for the Company at the time of grant; the dividend assumption for the PSUs granted during 2021 and 2020, was not affected by the Company's suspension of its cash dividend beginning with the second quarter of 2020 in response to the impacts of the COVID-19 pandemic on its business and as a condition of the June 2020 Amendment that was in effect through June 10, 2021, as such suspension was viewed as temporary. Please see Note 14, "Stockholders' Equity," for further discussion of dividends on the Company's common stock.

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 6.90% in 2022 and 8.40% in 2021 for the restriction of liquidity, which was calculated using the Finnerty model, and 15.94% in 2020 for the restriction of liquidity, which was

calculated using the Chaffe model. The Company uses the model that is deemed more appropriate after an evaluation of current market conditions.

Total PSU activity for the year was as follows:

(In thousands, except per PSU data)	PSUs	Weighted Average Grant Date Fair Value Per PSU
Non-vested at January 30, 2022	248	\$ 93.15
Granted	72	87.16
Reduction due to market conditions not satisfied	67	118.28
Vested	—	—
Forfeited	9	96.80
Non-vested at January 29, 2023	244	\$ 84.40

The aggregate grant date fair value of PSUs granted during 2022, 2021 and 2020 was \$6.3 million, \$5.8 million and \$8.6 million, respectively. No PSUs vested in 2022, 2021 and 2020. PSUs in the above table that remain subject to market conditions are reflected at the target level, which is consistent with how expense will be recorded, regardless of the numbers of shares that will actually be earned.

At January 29, 2023, there was \$5.6 million of unrecognized pre-tax compensation expense related to non-vested PSUs, which is expected to be recognized over a weighted average period of 1.7 years.

#### 14. STOCKHOLDERS' EQUITY

##### Acquisition of Treasury Shares

The Company's Board of Directors has authorized over time since 2015 an aggregate \$3.0 billion stock repurchase program through June 3, 2026, which includes a \$1.0 billion increase in the authorization and a three year extension of the program approved by the Board of Directors on April 11, 2022. 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.

The Company suspended share repurchases under the stock repurchase program beginning in March 2020, following the purchase of 1.4 million shares in open market transactions for \$110.7 million completed earlier in the first quarter of 2020, in response to the impacts of the COVID-19 pandemic on its business. In addition, under the terms of the June 2020 Amendment, the Company was not permitted to make share repurchases during the relief period. However, effective June 10, 2021, the relief period under the June 2020 Amendment was terminated and the Company was permitted to resume share repurchases at management's discretion, which it did starting in the third quarter of 2021. Please see Note 8, "Debt," for further discussion of the terms of the June 2020 Amendment and the relief period.

During 2022, 2021 and 2020, the Company purchased 6.2 million shares, 3.3 million shares and 1.4 million shares, respectively, of its common stock under the program in open market transactions for \$399.4 million, \$349.7 million and \$110.7 million, respectively. As of January 29, 2023, the repurchased shares were held as treasury stock and \$823.5 million of the authorization remained available for future share repurchases.

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

## Common Stock Dividends

The Company declared a \$0.0375 per share dividend payable to its common stockholders of record on March 4, 2020, in respect of which the Company made dividend payments totaling \$2.7 million on March 31, 2020. The Company suspended its dividends following the payment of the dividend on March 31, 2020 in response to the impacts of the COVID-19 pandemic on its business. In addition, under the terms of the June 2020 Amendment, the Company was not permitted to declare or pay dividends during the relief period. However, effective June 10, 2021, the relief period under the June 2020 Amendment was terminated and the Company was permitted to declare and pay dividends on its common stock at the discretion of the Board of Directors. Please see Note 8, "Debt," for further discussion of the terms of the June 2020 Amendment and the relief period. Following termination of the relief period, the Company declared a \$0.0375 per share dividend payable to its common stockholders of record on November 24, 2021, in respect of which the Company made dividend payments totaling \$2.7 million on December 17, 2021. The Company declared and paid four \$0.0375 per share dividends payable to its common stockholders in 2022 totaling \$10.1 million.

## 15. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table presents the changes in AOCL, net of related taxes, by component:

(In millions)	Foreign currency translation adjustments	Net unrealized and realized gain (loss) on effective cash flow hedges	Total
Balance at February 2, 2020	\$ (665.7)	\$ 25.6	\$ (640.1)
Other comprehensive income (loss) before reclassifications	184.1 <sup>(1)(2)</sup>	(60.4)	123.7
Less: Amounts reclassified from AOCL	—	2.7	2.7
Other comprehensive income (loss)	184.1	(63.1)	121.0
Balance at January 31, 2021	\$ (481.6)	\$ (37.5)	\$ (519.1)
Other comprehensive (loss) income before reclassifications	(184.3) <sup>(1)(3)</sup>	88.1	(96.2)
Less: Amounts reclassified from AOCL	—	(2.6)	(2.6)
Other comprehensive (loss) income	(184.3)	90.7	(93.6)
Balance at January 30, 2022	\$ (665.9)	\$ 53.2	\$ (612.7)
Other comprehensive loss before reclassifications	(47.6) <sup>(1)(3)</sup>	(36.0)	(83.6)
Less: Amounts reclassified from AOCL	(3.4) <sup>(4)</sup>	20.2	16.8
Other comprehensive loss	(44.2)	(56.2)	(100.4)
Balance at January 29, 2023	\$ (710.1)	\$ (3.0)	\$ (713.1)

<sup>(1)</sup> Foreign currency translation adjustments included a net gain (loss) on net investment hedges of \$24.1 million, \$83.8 million and \$(94.4) million in 2022, 2021 and 2020, respectively.

<sup>(2)</sup> Favorable foreign currency translation adjustments were principally driven by a weakening of the United States dollar against the euro.

<sup>(3)</sup> Unfavorable foreign currency translation adjustments were principally driven by a strengthening of the United States dollar against the euro.

<sup>(4)</sup> 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 5, "Investments in Unconsolidated Affiliates," for further discussion.

The following table presents reclassifications from AOCL to earnings:

	Amount Reclassified from AOCL			Affected Line Item in the Company's Consolidated Statements of Operations
(In millions)	2022	2021	2020	
Realized gain (loss) on effective cash flow hedges:				
Foreign currency forward exchange contracts (inventory purchases)	\$ 27.6	\$ (1.8)	\$ 12.5	Cost of goods sold
Interest rate swap agreements	—	(1.5)	—	SG&A expenses <sup>(1)</sup>
Interest rate swap agreements	—	(3.0)	(11.0)	Interest expense
Less: Tax effect	7.4	(3.7)	(1.2)	Income tax expense (benefit)
Total, net of tax	\$ 20.2	\$ (2.6)	\$ 2.7	
Foreign currency translation adjustments:				
Karl Lagerfeld transaction	\$ (3.4) <sup>(2)</sup>	\$ —	\$ —	Equity in net income (loss) of unconsolidated affiliates
Less: Tax effect	—	—	—	Income tax expense (benefit)
Total, net of tax	\$ (3.4)	\$ —	\$ —	

<sup>(1)</sup> The Company dedesignated certain cash flow hedges related to its interest rate swap agreements during 2021. Please see Note 10, "Derivative Financial Instruments," for further discussion.

<sup>(2)</sup> 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 5, "Investments in Unconsolidated Affiliates," for further discussion.

## 16. LEASES

The components of the net lease cost were as follows:

(In millions)	Line Item in the Company's Consolidated Statements of Operations	2022	2021	2020
Finance lease cost:				
Amortization of right-of-use-assets	SG&A expenses (depreciation and amortization)	\$ 4.2	\$ 4.9	\$ 5.2
Interest on lease liabilities	Interest expense	0.2	0.3	0.4
Total finance lease cost		4.4	5.2	5.6
Operating lease cost	SG&A expenses	401.4	451.8	477.8
Short-term lease cost	SG&A expenses	35.9	32.1	28.9
Variable lease cost	SG&A expenses	116.2	100.5	71.7
Less: sublease income	SG&A expenses	(4.7)	(1.5)	(1.3)
Total net lease cost		\$ 553.2	\$ 588.1	\$ 582.7

The Company has sought concessions from landlords for certain of its stores affected by temporary closures as a result of the COVID-19 pandemic in the form of rent deferrals or rent abatements. Consistent with updated guidance issued by the FASB in April 2020, the Company elected to treat COVID-19 related rent concessions as though enforceable rights and obligations for those concessions existed in the original contract. As such, rent abatements negotiated with landlords are recorded as a reduction to variable lease expense included in SG&A expenses in the Company's Consolidated Statements of Operations. The Company recorded \$4.8 million, \$26.9 million and \$50.3 million of rent abatements during 2022, 2021 and 2020, respectively. Rent deferrals have no impact to lease expense and amounts deferred and payable in future periods are included in the current portion of operating lease liabilities in the Company's Consolidated Balance Sheets.

Supplemental balance sheet information related to leases was as follows:

(In millions)	Line Item in the Company's Consolidated Balance Sheets	2022	2021
<b>Right-of-use assets:</b>			
Operating lease	Operating lease right-of-use assets	\$ 1,295.7	\$ 1,349.0
Finance lease	Property, plant and equipment, net	10.9	8.1
		\$ 1,306.6	\$ 1,357.1
<b>Current lease liabilities:</b>			
Operating lease	Current portion of operating lease liabilities	\$ 353.7	\$ 375.4
Finance lease	Accrued expenses	4.5	4.0
		\$ 358.2	\$ 379.4
<b>Other lease liabilities:</b>			
Operating lease	Long-term portion of operating lease liabilities	\$ 1,140.0	\$ 1,214.4
Finance lease	Other liabilities	7.3	5.2
		\$ 1,147.3	\$ 1,219.6

Operating lease right-of-use assets with a carrying amount of \$30.4 million were written down to a fair value of \$3.0 million during 2022 primarily in connection with the Company's decision in the second quarter of 2022 to exit from its Russia business, and the financial performance in certain of the Company's retail stores. The \$27.4 million of impairment charges were included in SG&A expenses in the Company's Consolidated Statement of Operations. Please see Note 11, "Fair Value Measurements," for further discussion of the noncash impairment charges related to the Company's operating lease right-of-use assets.

Operating lease right-of-use assets with a carrying amount of \$35.5 million were written down to a fair value of \$14.3 million during 2021 primarily as a result of actions taken by the Company to reduce its real estate footprint, including reductions in office space, and the financial performance in certain of the Company's retail stores. The \$21.2 million of impairment charges were included in SG&A expenses in the Company's Consolidated Statement of Operations. Please see Note 11, "Fair Value Measurements," for further discussion of the noncash impairment charges related to the Company's operating lease right-of-use assets.

Supplemental cash flow information related to leases was as follows:

(In millions)	2022	2021	2020
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>			
Operating cash flows from operating leases	\$ 450.8	\$ 484.0	\$ 396.1
Operating cash flows from finance leases	0.2	0.3	0.4
Financing cash flows from finance leases	4.7	5.2	5.5
<b>Noncash transactions:</b>			
Right-of-use assets obtained in exchange for new operating lease liabilities	338.6	267.3	247.3
Right-of-use assets obtained in exchange for new finance lease liabilities	8.2	2.6	4.0

The following summarizes the weighted average remaining lease terms and weighted average discount rates related to the Company's right-of-use assets and lease liabilities recorded on the balance sheet:

	2022	2021
Weighted average remaining lease term (years):		
Operating leases	6.13	6.25
Finance leases	3.19	2.51
Weighted average discount rate:		
Operating leases	4.10 %	3.81 %
Finance leases	2.09 %	1.48 %

At January 29, 2023, the maturities of the Company's lease liabilities were as follows:

(In millions)	Finance Leases	Operating Leases	Total
2023	\$ 4.7	\$ 405.3	\$ 410.0
2024	3.7	319.0	322.7
2025	2.6	243.9	246.5
2026	1.1	194.4	195.5
2027	—	161.1	161.1
Thereafter	—	382.4	382.4
Total lease payments	\$ 12.1	\$ 1,706.1	\$ 1,718.2
Less: Interest	(0.3)	(212.4)	(212.7)
Total lease liabilities	\$ 11.8	\$ 1,493.7	\$ 1,505.5

The Company's lease liabilities exclude \$45.0 million of future lease payment obligations related to leases for various retail store leases that were entered into but did not commence as of January 29, 2023. These leases commenced or will commence in 2023.

## 17. EXIT ACTIVITY COSTS

### 2022 Cost Savings Initiative

The Company announced in August 2022 it would be taking steps to streamline its organization and simplify its ways of working. The Company plans to reduce 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 pre-tax costs during 2022 related to initial actions taken under the plan, as shown in the following table. The Company expects to incur additional costs in connection with this initiative, however the additional costs are not known at this time.

(In millions)	Costs Incurred During 2022
Severance, termination benefits and other employee costs	\$ 20.2

Of the charges incurred during 2022, \$4.7 million relate to SG&A expenses of the Tommy Hilfiger North America segment, \$2.5 million relate to SG&A expenses of the Tommy Hilfiger International segment, \$4.6 million relate to SG&A expenses of the Calvin Klein North America segment, \$3.5 million relate to SG&A expenses of the Calvin Klein International segment, \$2.6 million relate to SG&A expenses of the Heritage Brands Wholesale segment and \$2.3 million relate to corporate SG&A expenses not allocated to any reportable segment. Please see Note 20, "Segment Data," for further discussion of the Company's reportable segments.

The liabilities at January 29, 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 1/30/22	Costs Incurred During 2022	Costs Paid During 2022	Liability at 1/29/23
Severance, termination benefits and other employee costs	\$ —	\$ 20.2	\$ 7.0	\$ 13.2

### 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 2022
Severance, termination benefits and other employee costs	\$ 2.1
Long-lived asset impairments	43.6
Gain on lease terminations, net of contract termination and other costs <sup>(1)</sup>	(2.7)
Total	<u>\$ 43.0</u>

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

Of the charges 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 20, "Segment Data," for further discussion of the Company's reportable segments.



Please see Note 11, “Fair Value Measurements,” for further discussion of the long-lived asset impairments recorded during 2022.

The liabilities at January 29, 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 1/30/22	Costs Incurred During 2022	Costs Paid During 2022	Liability at 1/29/23
Severance, termination benefits and other employee costs	\$ —	\$ 2.1	\$ 1.7	\$ 0.4
Contract termination and other costs	—	4.8	4.3	0.5
Total	\$ —	\$ 6.9	\$ 6.0	\$ 0.9

#### 2021 Reductions in Workforce and Real Estate Footprint

The Company announced in March 2021 plans to streamline its organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, which resulted in annual cost savings of approximately \$60 million. In connection with these activities, the Company recorded pre-tax costs during 2021 as shown in the following table. All expected costs related to the 2021 reductions in workforce and real estate footprint were incurred by the end of 2021.

(In millions)	Costs Incurred During 2021
Severance, termination benefits and other employee costs	\$ 15.7
Long-lived asset impairments	28.1
Contract termination and other costs	3.8
Total	\$ 47.6

Of the charges incurred during 2021, \$1.7 million relate to SG&A expenses of the Tommy Hilfiger North America segment, \$8.9 million relate to SG&A expenses of the Tommy Hilfiger International segment, \$2.1 million relate to SG&A expenses of the Calvin Klein North America segment, \$6.4 million relate to SG&A expenses of the Calvin Klein International segment and \$28.5 million relate to corporate SG&A expenses not allocated to any reportable segment. Please see Note 20, “Segment Data,” for further discussion of the Company’s reportable segments.

Please see Note 11, “Fair Value Measurements,” for further discussion of the long-lived asset impairments recorded during 2021.

The liabilities at January 29, 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 1/30/22	Costs Incurred During 2022	Costs Paid During 2022	Liability at 1/29/23
Severance, termination benefits and other employee costs	\$ 6.2	\$ —	\$ 3.4	\$ 2.8

#### Heritage Brands Retail Exit Costs

The Company announced in July 2020 plans to streamline its North American operations to better align its business with the evolving retail landscape, including the exit from its Heritage Brands Retail business, which consisted of 162 directly operated stores in North America and was substantially completed in the second quarter of 2021. In connection with the exit

from the Heritage Brands Retail business, the Company recorded pre-tax costs during 2020 and 2021 as shown in the following table. All expected costs related to the exit from the Heritage Brands Retail business were incurred by the end of 2021.

(In millions)	Costs Incurred During 2020	Costs Incurred During 2021	Cumulative Costs Incurred
Severance, termination benefits and other employee costs	\$ 14.6	\$ 10.8	\$ 25.4
Long-lived asset impairments	7.2	—	7.2
Accelerated amortization of lease assets	7.2	5.9	13.1
Contract termination and other costs	—	4.4	4.4
Total	<u>\$ 29.0</u>	<u>\$ 21.1</u>	<u>\$ 50.1</u>

The costs incurred during 2020 and 2021 relate to SG&A expenses of the Heritage Brands Retail segment. Please see Note 20, “Segment Data,” for further discussion of the Company’s reportable segments.

Please see Note 11, “Fair Value Measurements,” for further discussion of the long-lived asset impairments recorded during 2020.

The liabilities 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 1/30/22	Costs Incurred During 2022	Costs Paid During 2022	Liability at 1/29/23
Severance, termination benefits and other employee costs	\$ 3.5	\$ —	\$ 3.5	\$ —
Contract termination and other costs	2.4	—	2.4	—
Total	<u>\$ 5.9</u>	<u>\$ —</u>	<u>\$ 5.9</u>	<u>\$ —</u>

#### North America Office Workforce Reduction

The Company also announced in July 2020 a reduction in its office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions (the “North America workforce reduction”). In connection with the North America workforce reduction, the Company recorded pre-tax costs of \$39.7 million during 2020, which consisted of severance, termination benefits and other employee costs. All expected costs related to the North America workforce reduction were incurred by the end of 2020.

Of the costs incurred during 2020, \$3.0 million relates to special termination benefits included in non-service related pension and postretirement income and \$36.7 million relates to SG&A expenses. Please see Note 12, “Retirement and Benefit Plans,” for further discussion of the special termination benefits. Of the above charges incurred during 2020, \$12.5 million relate to the Heritage Brands Wholesale segment, \$10.9 million relate to the Tommy Hilfiger North America segment, \$10.5 million relate to the Calvin Klein North America segment and \$5.8 million relate to corporate expenses not allocated to any reportable segment. Please see Note 20, “Segment Data,” for further discussion of the Company’s reportable segments.

The liabilities related to these costs were substantially paid as of January 30, 2022.

## 18. NET INCOME (LOSS) PER COMMON SHARE

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

(In millions, except per share data)	2022	2021	2020
Net income (loss) attributable to PVH Corp.	\$ 200.4	\$ 952.3	\$ (1,136.1)
Weighted average common shares outstanding for basic net income (loss) per common share	65.7	70.8	71.2
Weighted average impact of dilutive securities	0.5	1.1	—
Total shares for diluted net income (loss) per common share	66.2	71.9	71.2
Basic net income (loss) per common share attributable to PVH Corp.	\$ 3.05	\$ 13.45	\$ (15.96)
Diluted net income (loss) per common share attributable to PVH Corp.	\$ 3.03	\$ 13.25	\$ (15.96)

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

(In millions)	2022	2021	2020
Weighted average potentially dilutive securities	1.4	0.7	2.4

Diluted net loss per common share attributable to PVH Corp. for the year ended January 31, 2021 excluded all potentially dilutive securities because there was a net loss attributable to PVH Corp. for the period and, as such, the inclusion of these securities would have been anti-dilutive.

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 (loss) per common share for that period. The Company had contingently issuable PSU awards outstanding that did not meet the performance conditions as of January 29, 2023, January 30, 2022 and January 31, 2021 and, therefore, were excluded from the calculation of diluted net income (loss) per common share for each applicable year. The maximum number of potentially dilutive shares that could be issued upon vesting for such awards was 0.2 million as of January 29, 2023, January 30, 2022 and January 31, 2021. These amounts were also excluded from the computation of weighted average potentially dilutive securities in the table above.

## 19. SUPPLEMENTAL CASH FLOW INFORMATION

Omitted from the Company's Consolidated Statement of Cash Flows for 2022 were capital expenditures related to property, plant and equipment of \$39.4 million, which will not be paid until 2023. The Company paid \$45.9 million in cash during 2022 related to property, plant and equipment that was acquired in 2021. This amount was omitted from the Company's Consolidated Statement of Cash Flows for 2021. The Company paid \$32.1 million in cash during 2021 related to property, plant and equipment that was acquired in 2020. This amount was omitted from the Company's Consolidated Statement of Cash Flows for 2020.

Omitted from acquisition of treasury shares in the Company's Consolidated Statement of Cash Flows for 2021 was \$6.0 million of shares repurchased under the stock repurchase program for which the trades occurred but remained unsettled as of the end of the period.

The Company recorded a loss of \$1.3 million during 2022 to write-off previously capitalized debt issuance costs in connection with the refinancing of its senior credit facilities.

## 20. 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; (v) Heritage Brands Wholesale; and, (vi) through the second quarter of 2021, Heritage Brands Retail. The Company's Heritage Brands Retail segment has ceased operations.

*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 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, (iii) men's dress shirts and neckwear under the *Van Heusen* brand, as well as under various licensed brand names; (iv) men's sportswear, bottoms and outerwear principally under the *Van Heusen*, *IZOD* and *ARROW* trademarks until August 2, 2021, when the Company completed the Heritage Brands transaction, and (v) swimwear and swim-related products and accessories under the *Speedo* trademark until April 6, 2020, when the Company completed the sale of its Speedo North America business to Pentland. Please see Note 3, "Acquisitions and Divestitures," for further discussion of the Speedo and Heritage Brands transactions. This segment also derived revenue from Company operated digital commerce sites in the United States for *Van Heusen* and *IZOD*, which ceased operations during the third quarter of 2021 in connection with the Heritage Brands transaction, and until April 6, 2020 for *Speedo*. 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.

*Heritage Brands Retail Segment* - This segment consisted of the Company's Heritage Brands Retail division. This segment derived revenue principally from operating retail stores, primarily located in outlet centers throughout the United States and Canada through which the Company marketed a selection of *Van Heusen*, *IZOD* and *Warner's* apparel, accessories and related products directly to consumers. The Company announced in July 2020 a plan to exit its Heritage Brands Retail business, which was substantially completed in the second quarter of 2021. As a result, the Company's Heritage Brands Retail segment has ceased operations. Please see Note 17, "Exit Activity Costs," for further discussion.

The Company's revenue by segment was as follows:

(In millions)	2022	(1)(2)	2021	(1)(2)	2020	(1)(2)
<b>Revenue – Tommy Hilfiger North America</b>						
Net sales	\$ 1,185.0		\$ 1,086.0		\$ 901.2	
Royalty revenue	86.0		79.0		53.7	
Advertising and other revenue	21.7		19.8		13.9	
<b>Total</b>	<b>1,292.7</b>		<b>1,184.8</b>		<b>968.8</b>	
<b>Revenue – Tommy Hilfiger International</b>						
Net sales	3,282.1		3,446.6		2,615.6	
Royalty revenue	61.9		56.8		40.1	
Advertising and other revenue	20.7		15.5		11.9	
<b>Total</b>	<b>3,364.7</b>		<b>3,518.9</b>		<b>2,667.6</b>	
<b>Revenue – Calvin Klein North America</b>						
Net sales	1,205.6		1,129.5		826.8	
Royalty revenue	170.1		145.6		99.8	
Advertising and other revenue	54.7		46.6		29.0	
<b>Total</b>	<b>1,430.4</b>		<b>1,321.7</b>		<b>955.6</b>	
<b>Revenue – Calvin Klein International</b>						
Net sales	2,290.3		2,283.1		1,614.6	
Royalty revenue	53.1		48.3		52.2	
Advertising and other revenue	9.6		7.2		15.9	
<b>Total</b>	<b>2,353.0</b>		<b>2,338.6</b>		<b>1,682.7</b>	
<b>Revenue – Heritage Brands Wholesale</b>						
Net sales	581.9		702.9		703.1	
Royalty revenue	0.9		10.4		12.3	
Advertising and other revenue	0.6		1.8		2.5	
<b>Total</b>	<b>583.4</b>		<b>715.1</b>		<b>717.9</b>	
<b>Revenue – Heritage Brands Retail</b>						
Net sales	—		75.6		137.4	
Royalty revenue	—		—		2.3	
Advertising and other revenue	—		—		0.3	
<b>Total</b>	<b>—</b>		<b>75.6</b>		<b>140.0</b>	
<b>Total Revenue</b>						
Net sales	8,544.9		8,723.7		6,798.7	
Royalty revenue	372.0		340.1		260.4	
Advertising and other revenue	107.3		90.9		73.5	
<b>Total<sup>(3)</sup></b>	<b>\$ 9,024.2</b>		<b>\$ 9,154.7</b>		<b>\$ 7,132.6</b>	

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

<sup>(2)</sup> Revenue in 2020 was significantly negatively impacted by the COVID-19 pandemic, including as a result of reduced traffic and consumer spending trends, and temporary store closures for varying periods of time throughout the year. The Company's wholesale customers and licensing partners also experienced significant business disruptions as a result of the pandemic, resulting in a decrease in the Company's revenue from these channels. Revenue in 2021 and 2022 continued to be negatively impacted by the pandemic and related supply chain and logistics disruptions, although to a much lesser extent than in 2020.

<sup>(3)</sup> No single customer accounted for more than 10% of the Company's revenue in 2022, 2021 or 2020.

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

(In millions)	2022 <sup>(1)(2)</sup>	2021 <sup>(1)(2)</sup>	2020 <sup>(1)(2)</sup>
Wholesale net sales	\$ 4,704.0	\$ 4,860.9	\$ 3,534.8
Owned and operated retail stores	3,118.2	3,087.1	2,586.5
Owned and operated digital commerce sites	722.7	775.7	677.4
Retail net sales	3,840.9	3,862.8	3,263.9
Net sales	8,544.9	8,723.7	6,798.7
Royalty revenue	372.0	340.1	260.4
Advertising and other revenue	107.3	90.9	73.5
Total	<u>\$ 9,024.2</u>	<u>\$ 9,154.7</u>	<u>\$ 7,132.6</u>

- <sup>(1)</sup> Revenue was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.
- <sup>(2)</sup> Revenue in 2020 was significantly negatively impacted by the COVID-19 pandemic, including as a result of reduced traffic and consumer spending trends, and temporary store closures for varying periods of time throughout the year. The Company's wholesale customers and licensing partners also experienced significant business disruptions as a result of the pandemic, resulting in a decrease in the Company's revenue from these channels. Revenue in 2021 and 2022 continued to be negatively impacted by the pandemic and related supply chain and logistics disruptions, although to a much lesser extent than in 2020.

The Company has not disclosed net sales by product category as it is impracticable to do so.

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

(In millions)	2022 <sup>(1)</sup>	2021 <sup>(1)</sup>	2020 <sup>(1)(2)</sup>
(Loss) income before interest and taxes – Tommy Hilfiger North America	\$ (175.4) <sup>(4)(5)</sup>	\$ 21.2 <sup>(8)</sup>	\$ (130.5) <sup>(11)(12)</sup>
Income before interest and taxes – Tommy Hilfiger International	514.8 <sup>(5)(6)</sup>	654.2 <sup>(8)</sup>	259.5 <sup>(12)</sup>
(Loss) income before interest and taxes – Calvin Klein North America	(81.9) <sup>(4)(5)</sup>	78.0 <sup>(8)</sup>	(384.5) <sup>(11)(12)(13)</sup>
Income (loss) before interest and taxes – Calvin Klein International	252.6 <sup>(4)(5)(6)</sup>	377.6 <sup>(8)</sup>	(280.0) <sup>(12)(13)</sup>
Income (loss) before interest and taxes – Heritage Brands Wholesale	47.4 <sup>(5)</sup>	160.9 <sup>(9)</sup>	(312.5) <sup>(11)(13)</sup>
Loss before interest and taxes – Heritage Brands Retail	—	(33.9) <sup>(10)</sup>	(93.4) <sup>(10)(12)</sup>
Loss before interest and taxes – Corporate <sup>(3)</sup>	(86.8) <sup>(5)(7)</sup>	(181.1) <sup>(8)</sup>	(130.3) <sup>(11)(14)</sup>
Income (loss) before interest and taxes	<u>\$ 470.7</u>	<u>\$ 1,076.9</u>	<u>\$ (1,071.7)</u>

- <sup>(1)</sup> 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.
- <sup>(2)</sup> Loss before interest and taxes in 2020 was significantly adversely impacted by the COVID-19 pandemic, including as a result of the unprecedented material decline in revenue noted above. As well, loss before interest and taxes in 2020 was significantly adversely impacted by \$1.0 billion of noncash impairment charges related to goodwill, tradenames, and other intangible assets, store assets and an equity method investment resulting from the significant adverse impacts of the COVID-19 pandemic on the Company's business. Please see notes (12), (13) and (14) below for further discussion.

- (3) Includes corporate expenses not allocated to any reportable segments, the results of PVH Ethiopia (through the closure of the Ethiopia factory in the fourth quarter of 2021) and the Company's proportionate share of the net income or loss of its investment in Karl Lagerfeld prior to the closing of the Karl Lagerfeld transaction in the second quarter of 2022. Please see Note 5, "Investments in Unconsolidated Affiliates," for further discussion of the Company's investment in Karl Lagerfeld and Note 6, "Redeemable Non-Controlling Interest," for further discussion of PVH Ethiopia. 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. Actuarial gains on the Company's Pension Plans, SERP Plans and Postretirement Plans totaled \$78.4 million, \$48.7 million and \$64.5 million in 2022, 2021 and 2020, respectively.
- (4) (Loss) income before interest and taxes for 2022 included a noncash goodwill impairment charge of \$417.1 million. The \$417.1 million goodwill impairment charge was included in the Company's segments as follows: \$177.2 million in Tommy Hilfiger North America, \$162.6 million in Calvin Klein North America and \$77.3 million in Calvin Klein International. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.
- (5) (Loss) income before interest and taxes for 2022 included costs of \$20.2 million incurred related to the cost savings initiative described in Note 17, "Exit Activity Costs," consisting of severance. Such costs were included in the Company's segments as follows: \$4.7 million in Tommy Hilfiger North America, \$2.5 million in Tommy Hilfiger International, \$4.6 million in Calvin Klein North America, \$3.5 million in Calvin Klein International, \$2.6 million in Heritage Brands Wholesale and \$2.3 in corporate expenses not allocated to any reportable segments. Please see Note 17, "Exit Activity Costs," for further discussion.
- (6) Income before interest and taxes for 2022 included net costs of \$43.0 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: \$31.6 million in Tommy Hilfiger International and \$11.4 million in Calvin Klein International. Please see Note 17, "Exit Activity Costs," for further discussion.
- (7) Loss before interest and taxes for 2022 included a gain of \$16.1 million in connection with the Karl Lagerfeld transaction. Please see Note 5, "Investments in Unconsolidated Affiliates," for further discussion.
- (8) Income (loss) before interest and taxes for 2021 included costs of \$47.6 million incurred in connection with actions to streamline the Company's organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, consisting of noncash asset impairments, severance, and contract termination and other costs. Such costs were included in the Company's segments as follows: \$1.7 million in Tommy Hilfiger North America, \$8.9 million in Tommy Hilfiger International, \$2.1 million in Calvin Klein North America, \$6.4 million in Calvin Klein International and \$28.5 million in corporate expenses not allocated to any reportable segments. Please see Note 17, "Exit Activity Costs," for further discussion.
- (9) Income before interest and taxes for 2021 included an aggregate net gain of \$113.4 million in connection with the Heritage Brands transaction, consisting of (i) a \$118.9 million gain, including a gain on the sale, less costs to sell, and a net gain on the Company's retirement plans associated with the transaction, partially offset by (ii) \$5.5 million of severance costs. Please see Note 3, "Acquisitions and Divestitures," for further discussion.
- (10) Loss before interest and taxes for 2021 and 2020 included costs and operating losses, as well as noncash asset impairments in 2020, associated with the wind down of the Heritage Brands Retail business that was completed in 2021. Please see Note 17, "Exit Activity Costs," for further discussion.
- (11) Loss before interest and taxes for 2020 included costs of \$39.7 million incurred in connection with the North America workforce reduction, primarily consisting of severance. Such costs were included in the Company's segments as follows: \$10.9 million in Tommy Hilfiger North America, \$10.5 million in Calvin Klein North America, \$12.5 million in Heritage Brands Wholesale, and \$5.8 million in corporate expenses not allocated to any reportable segments. Please see Note 17, "Exit Activity Costs," for further discussion.
- (12) (Loss) income before interest and taxes for 2020 included noncash impairment charges of \$74.7 million related to the Company's store assets. The \$74.7 million of impairment charges were included in the Company's segments as follows: \$6.0 million in Tommy Hilfiger North America, \$30.0 million in Tommy Hilfiger International, \$14.2 million in Calvin Klein North America, \$20.7 million in Calvin Klein International and \$3.8 million in Heritage Brands Retail. Please see Note 11, "Fair Value Measurements," for further discussion.
- (13) Loss before interest and taxes for 2020 included noncash impairment charges of \$933.5 million, primarily related to goodwill, tradenames and other intangible assets. The \$933.5 million of impairment charges were included in the



Company's segments as follows: \$289.9 million in Calvin Klein North America, \$394.0 million in Calvin Klein International and \$249.6 million in Heritage Brands Wholesale. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

- (14) Loss before interest and taxes for 2020 included a noncash impairment charge of \$12.3 million related to the Company's equity method investment in Karl Lagerfeld. Please see Note 5, "Investments in Unconsolidated Affiliates," for further discussion.

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

The Company's identifiable assets, depreciation and amortization, and identifiable capital expenditures by segment were as follows:

(In millions)	2022	2021	2020
<b>Identifiable Assets<sup>(1)(2)</sup></b>			
Tommy Hilfiger North America	\$ 1,296.3	\$ 1,409.8	\$ 1,447.9
Tommy Hilfiger International	4,875.4	4,913.2	5,295.3
Calvin Klein North America	1,527.2	1,609.8	1,522.6
Calvin Klein International	3,099.7	3,164.0	3,016.8
Heritage Brands Wholesale <sup>(3)</sup>	410.4	420.0	547.9
Heritage Brands Retail <sup>(4)</sup>	—	—	74.2
Corporate <sup>(5)</sup>	559.3	880.0	1,388.8
Total	<u>\$ 11,768.3</u>	<u>\$ 12,396.8</u>	<u>\$ 13,293.5</u>
<b>Depreciation and Amortization</b>			
Tommy Hilfiger North America	\$ 30.5	\$ 32.5	\$ 38.1
Tommy Hilfiger International	125.0	130.2	131.8
Calvin Klein North America	29.6	31.6	30.8
Calvin Klein International	94.3	94.9	97.0
Heritage Brands Wholesale	10.7	11.2	11.5
Heritage Brands Retail	—	0.3	3.5
Corporate	11.4	12.6	13.1
Total	<u>\$ 301.5</u>	<u>\$ 313.3</u>	<u>\$ 325.8</u>
<b>Identifiable Capital Expenditures<sup>(6)</sup></b>			
Tommy Hilfiger North America	\$ 14.5	\$ 19.2	\$ 21.7
Tommy Hilfiger International	140.9	138.4	100.6
Calvin Klein North America	14.4	22.6	18.7
Calvin Klein International	103.7	85.7	54.2
Heritage Brands Wholesale	6.6	10.9	14.9
Heritage Brands Retail	—	—	0.7
Corporate	3.5	4.9	8.4
Total	<u>\$ 283.6</u>	<u>\$ 281.7</u>	<u>\$ 219.2</u>

- (1) Identifiable assets included the impact of changes in foreign currency exchange rates.

- (2) Identifiable assets in 2022 included a reduction of \$417.1 million related to the noncash goodwill impairment. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

- (3) Identifiable assets in 2021 included a reduction of \$99.4 million related to the Heritage Brands transaction. Please see Note 3, "Acquisitions and Divestitures," for further discussion.

- (4) As a result of the exit from the Heritage Brands Retail business in 2021, the Company's Heritage Brands Retail segment has ceased operations.

- (5) The changes in Corporate identifiable assets in 2022 and 2021 were primarily due to changes in cash and cash equivalents.

- <sup>(6)</sup> Capital expenditures in 2022 included \$39.4 million of accruals that will not be paid until 2023. Capital expenditures in 2021 included \$45.9 million of accruals that were not paid until 2022. Capital expenditures in 2020 included \$32.1 million of accruals that were not paid until 2021.

Property, plant and equipment, net based on the location where such assets are held, was as follows:

(In millions)	2022 <sup>(1)</sup>	2021 <sup>(1)</sup>	2020 <sup>(1)</sup>
Domestic	\$ 384.3	\$ 429.0	\$ 466.3
Canada	10.4	13.8	19.3
Europe	406.4	378.7	374.7
Asia-Pacific	101.1	82.8	73.8
Other foreign	1.8	1.8	8.6
Total	<u>\$ 904.0</u>	<u>\$ 906.1</u>	<u>\$ 942.7</u>

- <sup>(1)</sup> Property, plant and equipment, net included the impact of changes in foreign currency exchange rates.

Revenue, based on location of origin, was as follows:

(In millions)	2022 <sup>(1)(2)</sup>	2021 <sup>(1)(2)</sup>	2020 <sup>(1)(2)</sup>
Domestic <sup>(3)</sup>	\$ 2,854.9	\$ 2,894.7	\$ 2,460.0
Canada <sup>(3)</sup>	347.6	313.3	262.2
Europe	4,204.0	4,392.3	3,154.3
Asia-Pacific	1,492.3	1,454.4	1,189.6
Other foreign	125.4	100.0	66.5
Total	<u>\$ 9,024.2</u>	<u>\$ 9,154.7</u>	<u>\$ 7,132.6</u>

- <sup>(1)</sup> Revenue was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.
- <sup>(2)</sup> Revenue in 2020 was significantly negatively impacted by the COVID-19 pandemic, including as a result of reduced traffic and consumer spending trends, and temporary store closures for varying periods of time throughout the year. The Company's wholesale customers and licensing partners also experienced significant business disruptions as a result of the pandemic, resulting in a decrease in the Company's revenue from these channels. Revenue in 2021 and 2022 continued to be negatively impacted by the pandemic and related supply chain and logistics disruptions, although to a much lesser extent than in 2020.
- <sup>(3)</sup> Revenue in 2021 and 2022 was negatively impacted by the Heritage Brands transaction and the exit from the Heritage Brands Retail business.

## 21. GUARANTEES

The Company has guaranteed a portion of the debt of its joint venture in India. The maximum amount guaranteed as of January 29, 2023 was approximately \$9.1 million based on exchange rates in effect on that date. The guarantee is in effect for the entire term of the debt. The liability for this guarantee obligation was immaterial as of January 29, 2023 and January 30, 2022.

The Company has guaranteed to a financial institution the repayment of store security deposits in Japan paid to landlords on behalf of the Company. The amount guaranteed as of January 29, 2023 was approximately \$4.9 million based on exchange rates in effect on that date. The Company has the right to seek recourse from the landlords for the full amount. The guarantees expire between 2023 and 2028. The liability for these guarantee obligations was immaterial as of January 29, 2023 and January 30, 2022.

The Company has guaranteed the payment of amounts on behalf of certain other parties, none of which are material individually or in the aggregate.

## 22. OTHER COMMENTS

### Asset Retirement Liabilities

The Company's asset retirement liabilities are included in accrued expenses and other liabilities in the Company's Consolidated Balance Sheets and relate to the Company's obligation to dismantle or remove leasehold improvements from leased office, retail store or warehouse locations at the end of a lease term in order to restore a facility to a condition specified in the lease agreement. The Company records the fair value of the liability for asset retirement obligations in the period in which it is legally or contractually incurred. Upon initial recognition of the asset retirement liability, an asset retirement cost is capitalized by increasing the carrying amount of the asset by the same amount as the liability. In periods subsequent to initial measurement, the asset retirement cost is recognized as expense through depreciation over the asset's useful life. Changes in the liability for the asset retirement obligations are recognized for the passage of time and revisions to either the timing or the amount of estimated cash flows. Accretion expense is recognized in SG&A expenses for the impacts of increasing the discounted fair value to its estimated settlement value.

The following table presents the activity related to the Company's asset retirement liabilities, included in accrued expenses and other liabilities in the Company's Consolidated Balance Sheets, for each of the last two years:

(In millions)	2022	2021
Balance at beginning of year	\$ 45.6	\$ 45.4
Liabilities incurred	4.1	4.0
Liabilities settled (payments)	(5.6)	(3.2)
Accretion expense	0.6	0.4
Revisions in estimated cash flows	1.8	1.2
Currency translation adjustment	(1.8)	(2.2)
Balance at end of year	<u>\$ 44.7</u>	<u>\$ 45.6</u>

### Litigation

The Company is a party to certain litigation which, in management's judgment, based in part on the opinions of legal counsel, will not have a material adverse effect on the Company's financial position.

## MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of the Company is responsible for the preparation and integrity of the consolidated financial statements appearing in this Annual Report on Form 10-K. The consolidated financial statements were prepared in conformity with accounting principles generally accepted in the United States and, accordingly, include certain amounts based on management's best judgments and estimates.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the underlying transactions, including the acquisition and disposition of assets; (ii) provide reasonable assurance that the Company's assets are safeguarded and transactions are executed in accordance with management's authorization and are recorded as necessary to permit preparation of the Company's consolidated financial statements in accordance with accounting principles generally accepted in the United States; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements and even when determined to be effective, can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Audit & Risk Management Committee of the Company's Board of Directors, composed solely of directors who are independent in accordance with New York Stock Exchange listing standards, the Securities Exchange Act of 1934, the Company's Corporate Governance Guidelines and the Committee's charter, meets periodically with the Company's independent auditors, the Company's internal auditors and management to discuss internal control over financial reporting, auditing and financial reporting matters. Both the independent auditors and the Company's internal auditors periodically meet alone with the Audit Committee and have free access to the Committee.

Management assessed the effectiveness of the Company's internal control over financial reporting as of January 29, 2023. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework (2013 framework). Based on management's assessment and those criteria, management believes that the Company maintained effective internal control over financial reporting as of January 29, 2023.

The Company's independent auditors, Ernst & Young LLP, a registered public accounting firm, are appointed by the Audit & Risk Management Committee, subject to ratification by the Company's stockholders. Ernst & Young LLP have audited and reported on the consolidated financial statements of the Company and the effectiveness of the Company's internal control over financial reporting. The reports of the independent auditors are contained in this Annual Report on Form 10-K.

/s/ STEFAN LARSSON

Stefan Larsson  
Chief Executive Officer  
March 28, 2023

/s/ ZACHARY COUGHLIN

Zachary Coughlin  
Executive Vice President and  
Chief Financial Officer  
March 28, 2023

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of PVH Corp.

### Opinion on Internal Control Over Financial Reporting

We have audited PVH Corp.'s internal control over financial reporting as of January 29, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, PVH Corp. (the Company) maintained, in all material respects, effective internal control over financial reporting as of January 29, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of January 29, 2023 and January 30, 2022, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity and redeemable non-controlling interest and cash flows for each of the three years in the period ended January 29, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) and our report dated March 28, 2023 expressed an unqualified opinion thereon.

### Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

New York, New York  
March 28, 2023

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of PVH Corp.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of PVH Corp. (the Company) as of January 29, 2023 and January 30, 2022, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity and redeemable non-controlling interest and cash flows for each of the three years in the period ended January 29, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at January 29, 2023 and January 30, 2022, and the results of its operations and its cash flows for each of the three years in the period ended January 29, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of January 29, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 28, 2023 expressed an unqualified opinion thereon.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit and risk management committee of the Company's board of directors and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

## ***Valuation of Goodwill and Indefinite-Lived Intangibles***

### ***Description of the Matter***

At January 29, 2023, the Company's goodwill and indefinite-lived intangible assets totaled \$2.4 billion and \$2.9 billion, respectively. As discussed in Note 1 of the consolidated financial statements, goodwill and indefinite-lived intangible assets are qualitatively tested and quantitatively tested, when necessary, for impairment at least annually. As a result of the Company's 2022 annual impairment test, the Company recorded \$417.1 million of goodwill impairment charges during the third quarter of 2022. The impairments were driven primarily by a significant increase in discount rates.

Auditing management's annual goodwill and indefinite-lived intangible assets impairment test was complex and judgmental due to the significant estimation required in determining the fair value of the reporting units and the fair value of the indefinite-lived intangible assets. In particular, the fair value estimates were sensitive to significant assumptions such as the weighted average cost of capital, revenue growth rate, earnings before interest and taxes and terminal growth rate, which are affected by expectations about future market or economic conditions.

### ***How We Addressed the Matter in Our Audit***

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill and indefinite-lived intangible assets impairment review process, including controls over management's review of the significant assumptions described above.

To test the estimated fair value of the Company's reporting units and indefinite-lived intangible assets, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions discussed above and the underlying data used by the Company in its analysis. We compared the significant assumptions used by management to current industry and economic trends, changes to the Company's business, customer base or product mix and other relevant factors. We assessed the historical accuracy of management's estimates and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the reporting units and indefinite-lived intangible assets that would result from changes in the assumptions. In addition, we reviewed the reconciliation of the fair value of the reporting units to the market capitalization of the Company.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1938.

New York, New York  
March 28, 2023

## PVH CORP.

VALUATION AND QUALIFYING ACCOUNTS  
(In millions)

Column A	Column B	Column C	Column D	Column E	
Description	Balance at Beginning of Period	Additions Charged to Costs and Expenses	Additions Charged to Other Accounts	Deductions	Balance at End of Period
Year Ended January 29, 2023					
Allowance for credit losses	\$ 61.9	\$ 2.9	\$ —	\$ 22.2 <sup>(1)</sup>	\$ 42.6
Allowance/accrual for operational chargebacks and customer markdowns	133.7	243.3	—	256.1	120.9
Valuation allowance for deferred income tax assets	69.3	19.5	—	15.9	72.9
Year Ended January 30, 2022					
Allowance for credit losses	\$ 69.6	\$ —	\$ —	\$ 7.7 <sup>(2)</sup>	\$ 61.9
Allowance/accrual for operational chargebacks and customer markdowns	165.1	266.9	—	298.3	133.7
Valuation allowance for deferred income tax assets	62.2	17.1	—	10.0	69.3
Year Ended January 31, 2021					
Allowance for credit losses	\$ 21.1	\$ 58.0	\$ —	\$ 9.5 <sup>(1)</sup>	\$ 69.6
Allowance/accrual for operational chargebacks and customer markdowns	220.2	264.9	—	320.0	165.1
Valuation allowance for deferred income tax assets	69.8	12.7	—	20.3	62.2

<sup>(1)</sup> Principally accounts written off as uncollectible, net of recoveries.

<sup>(2)</sup> Principally includes changes due to foreign currency translation.



**EMPLOYMENT AGREEMENT**

EMPLOYMENT AGREEMENT ("Agreement"), effective as of November 1, 2019, between PVH CORP., a Delaware corporation ("PVH" and, together with its affiliates and subsidiaries, the "Company"), and MARK D. FISCHER (the "Executive").

## WITNESSETH:

WHEREAS, the Executive has previously entered into a Second Amended and Restated Employment Agreement with PVH, as amended to the date hereof (the "Existing Agreement"); and

WHEREAS, the Company desires to enter into a new employment agreement with the Executive to ensure that the Executive is retained on a full-time basis in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Employment.

(a) Employment Period. The Company agrees to employ the Executive, and the Executive agrees to be employed by the Company, in accordance with the terms and conditions hereof. The Executive shall be an employee at will and this Agreement shall not constitute a guarantee of employment. Each of the parties acknowledges and agrees that either party may terminate the Executive's employment at any time, for any reason, with or without Cause (as defined in Section 3(a)(i)). The period commencing on the date hereof and ending on the effective date of the termination of the Executive's employment is hereinafter referred to as the "Employment Period."

(b) Position and Duties. During the Employment Period, the Executive shall serve as Executive Vice President, General Counsel and Secretary of PVH (or in such other position or positions within the Company as the Board of Directors of PVH (which, for purposes hereof includes any Committee thereof (the "Board"))) or Chief Executive Officer of PVH (the "Chief Executive Officer") may designate from time to time). The Executive shall (i) perform such duties and services as shall from time to time be assigned to the Executive, (ii) devote all of the Executive's business time to the services required of the Executive hereunder, excluding any periods of vacation and sick leave to which the Executive is entitled, and (iii) use the Executive's best efforts, judgment, skill and energy to perform such duties and services. As used in this Section 1, "business time" shall be determined in accordance with the usual and customary standards of the Company.

2. Compensation.

(a) Base Salary. The Company shall pay the Executive a salary at the annual rate of \$650,000 ("Base Salary"), payable in accordance with the normal payroll procedures of the Company in effect from time to time. The Executive's Base Salary shall be reviewed for increase at least annually by the Board pursuant to its normal performance review policies for "executive officers" (as defined under the rules of the New York Stock Exchange). The Company or the Board may from time to time, in its sole and absolute discretion, increase the Base Salary by any amount it determines to be appropriate. Base Salary shall not be reduced after any increase. The term "Base Salary" as utilized in this Agreement shall refer to the Executive's annual base salary as then in effect.

(b) Incentive and Bonus Compensation. The Executive shall be eligible to participate in the Company's existing and future bonus and stock plans and other incentive compensation programs for similarly situated executives (collectively, "Plans"), to the extent that the Executive is qualified to participate in any such Plan under the generally applicable provisions thereof in effect from time to time. Such eligibility is not a guarantee of participation in or of the receipt of any award, payment or other compensation under any Plan. To the extent the Executive does participate in a Plan and the Plan does not expressly provide otherwise, the Company, the Chief Executive Officer or the Board, as appropriate, may determine all terms of participation (including, without limitation, the type and size of any award, payment or other compensation and the timing and conditions of receipt thereof by the Executive) in their sole and absolute discretion. Nothing herein shall be deemed to prohibit the Company or the Board from amending or terminating any and all Plans in their sole and absolute discretion. The terms of each Plan, and any agreement issued thereunder, shall govern the Executive's rights and obligations in respect to the Plan and awards or benefits thereunder during the Executive's employment and upon the termination thereof. Without limiting the generality of the foregoing, the definition of "Cause" hereunder shall not supersede the definition of "cause" in any Plan (unless the Plan expressly defers to the definition of "cause" under an executive's employment agreement) and any rights of the Executive hereunder upon and subsequent to the termination of the Executive's employment shall be in addition to, and not in lieu of, any right of the Executive under any Plan then in effect upon or subsequent to a termination of employment.

(c) Benefits. The Executive shall be eligible to participate in all employee benefit and insurance plans sponsored or maintained by the Company for similarly situated executives (including any savings, retirement, life, health (which as of the date hereof includes the Executive Medical Reimbursement Insurance Plan) and disability plans), to the extent that the Executive is qualified to participate in any such plan under the generally applicable provisions thereof in effect from time to time. Nothing herein shall be deemed to prohibit the Company or the Board from amending or terminating any such plan in its sole and absolute discretion. Except as otherwise provided herein, the terms of each such plan shall govern the Executive's rights and obligations thereunder during the Executive's employment and upon the termination thereof.

(d) Expenses. The Company shall pay or reimburse the Executive for reasonable expenses incurred or paid by the Executive in the performance of the Executive's duties hereunder in accordance with the generally applicable policies and procedures of the Company, as in effect from time to time and subject to the terms and conditions thereof. Such procedures include the reimbursement of approved expenses within 30 days after approval. Section 409A (as defined in Section 7(l)) prohibits reimbursement payments from being made any later than the end of the calendar year following the calendar year in which the applicable expense is incurred or paid. Also under Section 409A, (i) the amount of expenses eligible for reimbursement during any calendar year may not affect the amount of expenses eligible for reimbursement in any other calendar year, and (ii) the right to reimbursement under this Section 2(d) cannot be subject to liquidation or exchange for another benefit.

3. Termination of Employment. The Executive's employment hereunder shall terminate, or shall be subject to termination at any time, as described in this Section 3. A termination of employment shall mean that the Executive has ceased to provide any services as an employee of the Company.

(a) Termination for Cause by the Company. The Company may terminate the Executive's employment with the Company at any time for Cause. Upon such termination, the Company shall have no further obligation to the Executive hereunder except for the payment or provision, as applicable, of (w) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any), (x) any accrued but unused vacation time as of the effective date of termination, to the extent required by applicable law, (y) all unreimbursed

expenses (if any), subject to Section 2(d), and (z) other payments, entitlements or benefits, if any, in accordance with terms of the applicable plans, programs, arrangements or other agreements of the Company (other than any severance plan or policy) as to which the Executive held rights to such payments, entitlements or benefits, whether as a participant, beneficiary or otherwise on the date of termination ("Other Benefits"). For the avoidance of doubt, the Executive shall have no right to receive any amounts under the Company's severance policy (as then in effect, if any) upon the Executive's termination for Cause.

(i) For purposes of this Agreement, "Cause" shall be defined as: (A) gross negligence or willful misconduct, as the case may be, (1) in the performance of the material responsibilities of the Executive's office or position, which results in material economic harm to the Company or (2) that results in material reputational harm to the Company; (B) the willful and continued failure of the Executive to perform substantially the Executive's duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board or the Company that specifically identifies the manner in which the Board or the Company believes that the Executive has not substantially performed the Executive's duties, and the Executive has not cured such failure to the reasonable satisfaction of the Board or the Company within 20 days following the Executive's receipt of such written demand; (C) the Executive is convicted of, or pleads guilty or nolo contendere to, a felony within the meaning of U.S. Federal, state or local law (other than a traffic violation) or a crime of moral turpitude; (D) the Executive having willfully divulged, furnished or made accessible any Confidential Information (as hereinafter defined) to anyone other than the Company, its directors, officers, employees, auditors and legal advisors, as appropriate in the ordinary course of business; (E) any act or failure to act by the Executive, which, under the provisions of applicable law, disqualifies the Executive from acting in any or all capacities in which the Executive is then acting for the Company; or (F) any material breach of this Agreement, the Company's Code of Business Conduct and Ethics or any other material Company policy.

(ii) For purposes of this provision, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Board, the Chief Executive Officer, or PVH's President, Chief Financial Officer or Chief Operating Officer or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company.

(b) Termination without Cause by the Company or for Good Reason by the Executive Prior to a Change in Control. The Company may also terminate the Executive's employment with the Company at any time without Cause, and the Executive may terminate the Executive's employment with the Company at any time for Good Reason (as defined in Section 3(f)(i)(B)).

(i) If the Company terminates the Executive's services without Cause or the Executive terminates the Executive's employment with the Company for Good Reason, other than during the two-year period following a Change in Control (as defined in Section 3(f)(i)(A)), the Executive shall be entitled to receive from the Company (A) the portion of the Executive's Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (B) any accrued but unused vacation time as of the effective date of termination; (C) all unreimbursed expenses (if any), subject to Section 2(d); (D) an aggregate amount (the "Severance Amount") equal to two times the sum of (1) the Base Salary plus (2) an amount equal to the bonus that would be payable if "target" level performance were achieved under the Company's annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of

termination); and (E) the payment or provision of any Other Benefits. The Severance Amount shall be paid in 48 semi-monthly substantially equal installment payments and on the same schedule that Base Salary was paid immediately prior to the Executive's date of termination, commencing on the first such scheduled payroll date that occurs on or following the date that is 30 days after the Executive's termination of employment, subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Each such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a "specified employee" (as determined under the Company's policy for identifying specified employees) on the date of the Executive's "separation from service" (within the meaning of Section 409A) and if any portion of the Severance Amount would be considered "deferred compensation" under Section 409A, all payments of the Severance Amount (other than payments that satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or that are treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)) shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive's separation from service. The first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on all payments not paid to the Executive prior to the first business day after the sixth month anniversary of the Executive's separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid with the first payment after such six-month period. Notwithstanding the foregoing, payments delayed pursuant to this six-month delay requirement shall commence earlier in the event of the Executive's death prior to the end of the six-month period. For purposes hereof, the Executive shall have a "separation from service" upon the Executive's death or other termination of employment for any reason.

(ii) If the Company terminates the Executive's employment with the Company without Cause or the Executive terminates the Executive's employment with the Company for Good Reason, then the Company shall also provide to the Executive, during the two-year period following the Executive's date of termination, medical, dental and life insurance coverage for the Executive and the members of the Executive's family which is not less favorable to the Executive than the group medical, dental and life insurance coverage carried by the Company for the Executive and the members of the Executive's family immediately prior to such termination of employment, subject to the Executive's compliance with the requirement to deliver the release contemplated pursuant to Section 4(a); *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental or life insurance coverage from any other employer during such period, but the Executive shall not have any obligation to seek or accept employment during such period, whether or not any such employment would provide comparable medical and dental insurance coverage; and *provided further, however*, that the Executive shall be obligated to pay an amount equal to the active employee contribution, if any, for each such coverage. Notwithstanding the foregoing, if at any time the Company determines that its partial subsidy of the Executive's premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Internal Revenue Code of 1986, as amended (the "Code") or any other Code section, law or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of subsidizing the premiums on the medical, dental and life insurance described in the preceding sentence, the Company shall pay (in addition to any amounts payable pursuant to clauses (A) through (E) of Section 3(b)(i)) a fully taxable monthly cash payment in an amount such that, after payment by the Executive of all taxes on such payment, the Executive retains an amount equal to the Company's portion of the applicable premiums for such month, with such monthly payment being made on the last day of each month for the remainder of the two-year period.

(iii) For the avoidance of doubt, the payment of the Severance Amount shall be in lieu of any amounts payable under the Company's severance policy (as then in effect, if any) and the Executive hereby waives any and all rights thereunder.

(c) Termination by Voluntary Resignation (without Good Reason) by the Executive. The Executive may terminate the Executive's employment with the Company without Good Reason at any time by voluntary resignation. Upon such termination, the Company shall have no further obligation to the Executive hereunder except for the payment of (i) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any), (ii) any accrued but unused vacation time as of the effective date of termination, (iii) all unreimbursed expenses (if any), subject to Section 2(d), and (iv) the payment or provision of any Other Benefits. Notwithstanding the foregoing, the Executive shall provide no less than 90 days' prior written notice of the effective date of the Executive's resignation (other than for Good Reason). The Company shall continue to pay the Executive the Executive's Base Salary during such 90-day period. Notwithstanding the foregoing, the Company, in its sole and absolute discretion, may waive the requirement for prior notice of the Executive's resignation or decrease the notice period, in which event the Company shall have no continuing obligation to pay the Executive's Base Salary or shall only have such obligation with respect to the shortened period, as the case may be.

(d) Disability. The Executive's employment shall be terminable by the Company, subject to applicable law and the Company's short-term and long-term disability policies then in effect, if the Executive becomes physically or mentally disabled, whether totally or partially, such that the Executive is prevented from performing the Executive's usual duties and services hereunder for a period of 120 consecutive days or for shorter periods aggregating 120 days in any 12-month period (a "Disability"). If the Executive's employment is terminated by the Company due to the Executive's Disability, the Company shall have no further obligation to the Executive hereunder, except for the payment to the Executive or the Executive's legal guardian or representative, as appropriate, of (i) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any), (ii) any accrued but unused vacation time as of the effective date of termination, (iii) all unreimbursed expenses (if any), subject to Section 2(d), and (iv) the payment or provision of any Other Benefits.

(e) Death. If the Executive shall die during the Employment Period, this Agreement shall terminate on the date of the Executive's death and the Company shall have no further obligation to the Executive hereunder except for the payment to the Executive's estate of (i) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any), (ii) any accrued but unused vacation time as of the effective date of termination, (iii) all unreimbursed expenses (if any), subject to Section 2(d), and (iv) the payment or provision of any Other Benefits.

(f) Termination by the Company without Cause or by the Executive for Good Reason Subsequent to a Change in Control.

(i) For purposes of this Agreement, the following terms shall have the meanings set forth below:

A. "Change in Control" shall be deemed to occur upon the first to occur of the following events:

(1) Any "person" (as such term is used in Sections 3(a)(9) and 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")) becomes a "beneficial owner," as such term is used in Rule 13d-3 of the Exchange Act, of 25% or more of the combined voting power of the then-outstanding voting securities of PVH entitled to vote generally in the election of directors (the

“Outstanding Company Voting Securities”); *provided, however*, that, for purposes of this Section 3(f)(i)(A)(1), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from PVH, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself acquired directly from PVH, (ii) any acquisition by PVH, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by PVH or any of its affiliates, or (iv) any acquisition pursuant to a transaction which complies with clauses (a), (b) and (c) of Section 3(f)(i)(A)(3) below;

(2) Individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; *provided, however*, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by PVH’s stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(3) Consummation of a reorganization, merger, consolidation or a sale or other disposition of all or substantially all of the assets of PVH (each, a “Business Combination”), in each case unless, following such Business Combination, (a) all or substantially all of the individuals and entities that were the beneficial owners of the outstanding shares of common stock of PVH (the “Outstanding Company Common Stock”) and the Outstanding Company Voting Securities, immediately prior to such Business Combination, beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and more than 50% of the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation that, as a result of such transaction, owns PVH or all or substantially all of PVH’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (b) no person (other than PVH, any employee benefit plan (or related trust) of PVH or such corporation resulting from such Business Combination) beneficially owns directly or indirectly, 20% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Business Combination or the outstanding voting securities of such corporation entitled to vote generally in the election of directors, except to the extent that such ownership existed prior to the Business Combination, and (c) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination, whichever occurs first; or

(4) The approval by the stockholders of PVH of a complete liquidation or dissolution of PVH.

B. “**Good Reason**” shall mean the occurrence of any of the following events or circumstances without the Executive’s prior written consent:

(1) the assignment to the Executive without the Executive’s consent of any duties inconsistent in any material respect with the Executive’s position (including status and title), authority, duties or responsibilities as contemplated by Section 1(b) (or following a Change in Control, as in effect immediately prior to such Change in Control), or any other action by the Company that results in a material diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and that is remedied by the Company promptly after receipt of notice thereof given by the Executive and the assignment of additional or alternate duties or responsibilities to the Executive in connection with the Executive’s professional development or the reallocation of some of the Executive’s duties or responsibilities to other executives of the Company in connection with the evolution of the Executive’s position;

(2) a change in the Executive’s reporting relationship such that the Executive no longer reports directly to the Board or Chief Executive Officer;

(3) a reduction of the Executive’s Base Salary;

(4) the taking of any action by the Company that substantially diminishes (a) the aggregate value of the Executive’s total compensation opportunity, and/or (b) the aggregate value of the employee benefits provided to the Executive relative to all other similarly situated senior executives pursuant to the Company’s employee benefit and insurance plans as in effect on the effective date of this Agreement (or, following a Change in Control, as in effect immediately prior to such Change in Control);

(5) the Company requiring that the Executive’s services be rendered primarily at a location or locations more than 75 miles from the location of the Executive’s principal office at which the Executive performs the Executive’s duties hereunder, except for travel, and visits to Company offices and facilities worldwide, reasonably required to attend to the Company’s business; or

(6) the failure of the Company to require any successor to the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

In order for a termination of employment for Good Reason to be effective, (a) the Company must receive a Notice of Termination (as defined below) from the Executive within 60 days following the occurrence of the event claimed to give rise to the right to resign for Good Reason, (b) the Company must fail to cure the event constituting Good Reason within 30 days after receipt of the Notice of Termination, and (c) the Executive must terminate the Executive’s employment in writing within 30 days following the expiration of such cure period.

(ii) If within two years after the occurrence of a Change in Control, the Executive terminates the Executive’s employment with the Company for Good Reason or the Company terminates the Executive’s employment for any reason other than death, Disability or

Cause, the Executive shall be entitled to receive from the Company, or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, (A) the portion of the Base Salary for periods prior to the effective date of termination accrued but unpaid (if any); (B) any accrued but unused vacation time as of the effective date of termination; (C) all unreimbursed expenses (if any), subject to Section 2(d); (D) an aggregate amount equal to two times the sum of (1) the Base Salary plus (2) an amount equal to the bonus that would be payable if the “target” level performance were achieved under the Company’s annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination); and (E) the payment or provision of any Other Benefits. The severance amount described in clause (D) of the immediately preceding sentence shall be paid (x) in a lump sum, if the Change in Control event constitutes a “change in the ownership” or a “change in the effective control” of PVH or a “change in the ownership of a substantial portion of a corporation’s assets” (each within the meaning of Section 409A), or (y) in 48 semi-monthly substantially equal installment payments, if the Change in Control event does not so comply with Section 409A. The lump sum amount shall be paid, or the installment payments shall commence, as applicable, on the first scheduled payroll date (in accordance with the Company’s payroll schedule in effect for the Executive immediately prior to such termination) that occurs on or following the date that is 30 days after the Executive’s termination of employment; *provided, however*, that the payment of such severance amount is subject to the Executive’s compliance with the requirement to deliver the release contemplated pursuant to Section 4(a). Any such installment payment shall be treated as a separate payment as defined under Treasury Regulation §1.409A-2(b)(2). If the Executive is a “specified employee” (as determined under the Company’s policy for identifying specified employees) on the date of the Executive’s “separation from service” (within the meaning of Section 409A) and if any portion of the severance amount described in clause (D) would be considered “deferred compensation” under Section 409A, such severance amount shall not be paid or commence to be paid on any date prior to the first business day after the date that is six months following the Executive’s separation from service (unless any such payment(s) shall satisfy the short-term deferral rule, as defined in Treasury Regulation §1.409A-1(b)(4), or shall be treated as separation pay under Treasury Regulation §1.409A-1(b)(9)(iii) or §1.409A-1(b)(9)(v)). If paid in installments, the first payment that can be made shall include the cumulative amount of any amounts that could not be paid during such six-month period. In addition, interest will accrue at the 10-year T-bill rate (as in effect as of the first business day of the calendar year in which the separation from service occurs) on such lump sum amount or installment payments, as applicable, not paid to the Executive prior to the first business day after the sixth month anniversary of the Executive’s separation from service that otherwise would have been paid during such six-month period had this delay provision not applied to the Executive and shall be paid at the same time at which the lump sum payment or the first installment payment, as applicable, is made after such six-month period. Notwithstanding the foregoing, a payment delayed pursuant to the preceding three sentences shall commence earlier in the event of the Executive’s death prior to the end of the six-month period. Upon the termination of employment with the Company for Good Reason by the Executive or upon the involuntary termination of employment with the Company of the Executive for any reason other than death, Disability or Cause, in either case within two years after the occurrence of a Change in Control, the Company, or the consolidated, surviving or transferee person in the event of a Change in Control pursuant to a consolidation, merger or sale of assets, shall also provide, for the period of two consecutive years commencing on the date of such termination of employment, medical, dental and life insurance coverage for the Executive and the members of the Executive’s family which is not less favorable to the Executive than the group medical, dental and life insurance coverage carried by the Company for the Executive and the members of the Executive’s family either immediately prior to such termination of employment or immediately prior to the occurrence of such Change in Control, whichever is greater, subject to the Executive’s compliance with the requirement to deliver the release contemplated pursuant to Section 4(a); *provided, however*, that the obligations set forth in this sentence shall terminate to the extent the Executive obtains comparable medical, dental or life insurance coverage from any



other employer during such two-year period, but the Executive shall not have any obligation to seek or accept employment during such two-year period, whether or not any such employment would provide comparable medical, dental and life insurance coverage. Notwithstanding the foregoing, if at any time the Company determines that its partial subsidy of the Executive's premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code or any other Code section, law or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of subsidizing the premiums on the medical, dental and life insurance described in the preceding sentence, the Company shall pay (in addition to any amounts payable pursuant to clauses (A) through (E) of this Section 3(f)(ii)) a fully taxable monthly cash payment in an amount such that, after payment by the Executive of all taxes on such payment, the Executive retains an amount equal to the Company's portion of the applicable premiums for such month, with such monthly payment being made on the last day of each month for the remainder of the two-year period. For the avoidance of doubt, the amounts payable under clause (D) of this Section 3(f)(ii) as severance shall be in lieu of any amounts payable under the Company's severance policy and the Executive hereby waives any and all rights thereunder.

(iii) Excise Taxes. Notwithstanding anything in the foregoing to the contrary, if Independent Tax Counsel (as that term is defined below) determines that the aggregate payments and benefits provided or to be provided to the Executive pursuant to this Agreement, and any other payments and benefits provided or to be provided to the Executive from the Company or any successors thereto constitute "parachute payments" as defined in Section 280G of the Code (or any successor provision thereto) ("Parachute Payments") that would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then, except as otherwise provided in the next sentence, such Parachute Payments shall be reduced to the extent the Independent Tax Counsel shall determine is necessary (but not below zero) so that no portion thereof shall be subject to the Excise Tax. If Independent Tax Counsel determines that the Executive would receive in the aggregate greater payments and benefits on an after tax basis if the Parachute Payments were not reduced pursuant to this Section 3(f)(iii), then no such reduction shall be made. The determination of which payments or benefits shall be reduced to avoid the Excise Tax shall be made by the Independent Tax Counsel, provided that the Independent Tax Counsel shall reduce or eliminate, as the case may be, payments or benefits in the order that it determines will produce the required reduction in total Parachute Payments with the least reduction in the after-tax economic value to the Executive of such payments. If the after-tax economic value of any payments are equivalent, such payments shall be reduced in the inverse order of when the payments would have been made to the Executive until the reduction specified herein is achieved. The determination of the Independent Tax Counsel under this Section 3(f)(iii) shall be final and binding on all parties hereto. For purposes of this Section 3(f)(iii), "Independent Tax Counsel" shall mean a lawyer, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm with expertise in the area of executive compensation tax law, who shall be selected by the Company and shall be acceptable to the Executive (the Executive's acceptance not to be unreasonably withheld), and whose fees and disbursements shall be paid by the Company. Notwithstanding anything herein to the contrary, this Section 3(f)(iii) shall be interpreted (and, if determined by the Company to be necessary, reformed) to the extent necessary to fully comply with Section 409A of the Code; provided that the Company agrees to maintain, to the maximum extent practicable, the original intent and economic benefit to the Executive of the applicable provision without violating the provisions of Section 409A of the Code.

(g) Notice of Termination. Any termination by the Company or by the Executive, other than a termination by reason of the Executive's death, shall be communicated by a Notice of Termination to the other party hereto given in accordance with Section 7(c). "Notice of Termination" means a written notice that (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable

detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the date of termination is other than the date of receipt of such notice, specifies the date of termination.

(h) Date of Termination. For purposes of this Agreement the Executive's date of termination of employment shall be:

(i) if the Executive's employment is terminated by the Company with or without Cause, or due to the Executive's Disability, the date of termination shall be the date on which the applicable party receives the Notice of Termination, unless a later date is mutually agreed; *provided, however*, that, for the avoidance of doubt, if the Executive's employment is terminated by the Company for Cause pursuant to Section 3(a)(i)(B), then the date of termination shall be the date on which the Board or Company gives notice that the Executive has failed to cure the failure included in its demand, which notice can be given no earlier than the expiration of the 20 day cure period set forth in Section 3(a)(i)(B);

(ii) if the Executive's employment is terminated by the Executive for Good Reason, the date of termination shall be the date the Executive terminates the Executive's employment in writing as set forth in Section 3(f)(i)(B), unless a different date is mutually agreed; *provided, however*, that the date of termination must occur within 30 days following the expiration of the 30 day cure period set forth in Section 3(f)(i)(B), with the Company having failed to cure the event constituting Good Reason;

(iii) if the Executive's employment is terminated by the Executive other than for Good Reason, the 90<sup>th</sup> day following the Company's receipt of the Notice of Termination, unless the Company waives or reduces such period as provided in Section 3(c); or

(iv) if the Executive's employment is terminated by reason of death, the date of termination shall be the date of death.

(i) Resignation. Upon termination of the Executive's employment for any reason, the Executive agrees to resign, effective as of the date of termination, from any positions that the Executive holds with the Company, the Board (and any committees thereof), unless the Board requests otherwise and the Executive agrees, and the board of directors (and any committees thereof) of any of PVH's subsidiaries and affiliates.

#### 4. Effect of Termination.

(a) Full Settlement. The amounts paid to the Executive pursuant to Section 3(b) or 3(f)(ii), as applicable, following termination of the Executive's employment shall be in full and complete satisfaction of the Executive's rights under this Agreement and any other claims the Executive may have with respect to the Executive's employment by the Company and the termination thereof, other than as expressly provided in Section 2(b). Such amounts shall constitute liquidated damages with respect to any and all such rights and claims. In consideration of the Executive's receipt thereof, the Executive shall execute a release in favor of the Company, substantially in the form of Exhibit A hereto. Pursuant to said release, the Company shall be released and discharged from any and all liability to the Executive in connection with this Agreement and otherwise in connection with the Executive's employment with the Company and the termination thereof, including, without limitation, any claims arising under federal, state or local labor, employment and employment discrimination laws, but excluding claims with respect to this Agreement and any Plan. The payments and provision of benefits to the Executive required by Sections 3(b) and 3(f)(ii), other than amounts that are required to be paid to the Executive under applicable law, shall be conditioned upon the Executive's delivery (and non-revocation prior to the expiration of the revocation period contained in the release) of such release in favor of the Company, *provided* that such conditions

are met on or before the date that is 30 days after the date of the Executive's termination of employment. If such conditions are not met by such date, the Executive shall forfeit such payments and benefits. Notwithstanding the foregoing, nothing herein shall be construed to release the Company from its obligations to indemnify the Executive (as set forth in Section 7(h)).

(b) No Duplication; No Mitigation; Limited Offset. In no event shall the Executive be entitled to duplicate payments or benefits under different provisions of this Agreement or pursuant to the terms of any other plan, program or arrangement of the Company. In the event of any termination of the Executive's employment, the Executive shall be under no obligation to seek other employment, and, there shall be no offset against amounts due the Executive under this Agreement or pursuant to any plan of the Company on account of any remuneration attributable to any subsequent employment or any claim asserted by the Company, except with respect to the continuation of benefits under Sections 3(b) and 3(f)(ii), which shall terminate immediately upon obtaining comparable coverage from another employer.

## 5. Restrictive Covenants.

(a) Confidentiality. The Executive recognizes that any knowledge and information of any type whatsoever of a confidential nature relating to the business of the Company, including, without limitation, all types of trade secrets, vendor and customer lists and information, employee lists and information, consumer data, information regarding product development, marketing plans, management organization information, operating policies and manuals, sourcing data, performance results, business plans, financial records, network configuration and architecture, proprietary software, and other financial, commercial, business and technical information (collectively, "Confidential Information"), must be protected as confidential, not copied, disclosed or used, other than for the benefit of the Company, at any time. The Executive further agrees that at any time during the Employment Period or thereafter the Executive will not divulge to anyone (other than the Company or any person employed or designated by the Company), publish or make use of any Confidential Information without the prior written consent of the Company, except (i) as (and only to the extent) required by an order of a court having competent jurisdiction or under subpoena from an appropriate government agency and then only after providing the Company with the reasonable opportunity to prevent such disclosure or to receive confidential treatment for the Confidential Information required to be disclosed, (ii) with respect to any other litigation, arbitration or mediation involving this Agreement, including, but not limited to the enforcement of this Agreement or (iii) as to Confidential Information that becomes generally known to the public or within the relevant trade or industry other than due to the Executive's violation of this Section 5(a). The Executive further agrees that following the termination of the Employment Period for whatever reason, (A) the Company shall keep all tangible property assigned to the Executive or prepared by the Executive and (B) the Executive shall not misappropriate or infringe upon the Confidential Information of the Company (including the recreation or reconstruction of Confidential Information from memory).

(b) Non-Interference. The Executive acknowledges that information regarding the Company's business and financial relations with its vendors and customers is Confidential Information and proprietary to the Company and that any interference with such relations based directly or indirectly on the use of such information would cause irreparable damage to the Company. The Executive acknowledges that by virtue of the Executive's employment with the Company, the Executive may gain knowledge of such information concerning the Company's vendors and customers (respectively "Vendor Information" or "Customer Information"), and that the Executive would inevitably have to draw on this Vendor Information and Customer Information and on other Confidential Information if the Executive were to solicit or service the Company's vendors or customers on behalf of a competing business enterprise. Accordingly, and subject to the immediately following sentence, the Executive

agrees that during the Employment Period and for a period of 18 months following the termination thereof, the Executive will not, on behalf of the Executive or any other person, other than the Company, directly or indirectly do business with, solicit the business of, or perform any services for any actual vendor or customer of the Company, any person that has been a vendor or customer of the Company within the 12-month period preceding such termination or any actively solicited prospective vendor or customer as to whom or which the Executive provided any services or as to whom or which the Executive has knowledge of Vendor Information, Customer Information or Confidential Information. The foregoing restrictive covenant shall only apply to business activities engaged in by the Executive on behalf of the Executive or any other person that are directly competitive with those of the operating divisions of the Company in which the Executive has worked or over which the Executive has or has had supervisory responsibility, in terms of channels of distribution, types of products, gender for which the products have been designed and similarity of price range or over which the Executive is in possession of Confidential Information. In addition, the Executive agrees that, during the Employment Period and the 18-month period thereafter, the Executive will not, directly or indirectly, seek to encourage or induce any such vendor or customer to cease doing business with, or lessen its business with, the Company, or otherwise interfere with or damage (or attempt to interfere with or damage) any of the Company's relationships with its vendors and customers, except in the ordinary course of the Company's business.

(c) Non-Competition. The Executive agrees that, during the Employment Period and for a period of 18 months following the Executive's termination of employment, the Executive shall not, without the prior written consent of the Company, directly or indirectly, on the Executive's behalf or on behalf of any other person, firm, corporation, association or other entity, as an employee, director, investor, advisor, partner, consultant or otherwise, engage in any business of, provide services to, enter the employ of, or have any interest in, any other person, firm, corporation or other entity anywhere in the world that is engaged in a business that is in competition with the (i) businesses or products of the Company as of the Executive's date of termination, or (ii) any business that the Company is planning to engage in or products that the Company is planning to develop or launch. Nothing herein shall restrict the Executive from owning, for personal investment purposes only, less than 5% of the voting stock of any publicly held corporation or 2% of the ownership interest in any non-publicly held company, if the Executive has no other connection or relationship with the issuer of such securities.

(d) Non-Solicitation. The Executive agrees that during the Employment Period and for a period of 18 months following the termination thereof for any reason, the Executive will not hire or solicit to hire, whether on the Executive's own behalf or on behalf of any other person (other than the Company), any employee of the Company or any individual who had left the employ of the Company within 12 months of the termination of the Executive's employment with the Company. In addition, during the Employment Period and such 12-month period thereafter, the Executive will not, directly or indirectly, encourage or induce any employee of the Company to leave the Company's employ, except in the ordinary course of the Company's business.

(e) Public Comment. The Executive, during the Employment Period and at all times thereafter, shall not make any derogatory comment concerning the Company or any of its current or former directors, officers, stockholders or employees. Similarly, the then-current members of the Company's senior management shall not make any derogatory comment concerning the Executive.

(f) Blue Pencil. If any of the restrictions on competitive or other activities contained in this Section 5 shall for any reason be held by a court of competent jurisdiction to be excessively broad as to duration, geographical scope, activity or subject, such restrictions shall be construed so as thereafter to be limited or reduced to be enforceable to the extent compatible with the applicable law; it being understood that by the execution of this Agreement, (i) the

parties hereto regard such restrictions as reasonable and compatible with their respective rights and (ii) the Executive acknowledges and agrees that the restrictions will not prevent the Executive from obtaining gainful employment subsequent to the termination of the Executive's employment. The existence of any claim or cause of action by the Executive against the Company shall not constitute a defense to the enforcement by the Company of the foregoing restrictive covenants, but such claim or cause of action shall be determined separately.

(g) Injunctive Relief. The Executive acknowledges and agrees that the covenants and obligations of the Executive set forth in this Section 5 relate to special, unique and extraordinary services rendered by the Executive to the Company and that a violation of any of the terms of such covenants and obligations will cause the Company irreparable injury for which adequate remedies are not available at law. Therefore, the Executive agrees that the Company shall be entitled to seek an injunction, restraining order or other temporary or permanent equitable relief (without the requirement to post bond) restraining the Executive from committing any violation of the covenants and obligations contained herein. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Company may have at law or in equity.

(h) Notwithstanding anything to the contrary herein, the Executive understands that nothing in this Agreement restricts or prohibits the Executive from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, or from making other disclosures that are protected under the whistleblower provisions of state or federal law or regulation, and pursuant to 18 USC § 1833(b), an individual may not be held liable under any criminal or civil federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, an individual suing an entity for retaliation based on the reporting of a suspected violation of law may disclose a trade secret to the individual's attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the individual does not disclose the trade secret except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 USC § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 USC § 1833(b).

6. Work for Hire. The Executive agrees that all marketing, operating and training ideas, sourcing data, processes and materials, including all inventions, discoveries, improvements, enhancements, written materials and development related to the business of the Company ("Proprietary Materials") to which the Executive may have access or that the Executive may develop or conceive while employed by the Company shall be considered works made for hire for the Company and prepared within the scope of employment and shall belong exclusively to the Company. Any Proprietary Materials developed by the Executive that, under applicable law, may not be considered works made for hire, are hereby assigned to the Company without the need for any further consideration, and the Executive agrees to take such further action, including executing such instruments and documents as the Company may reasonably request, to evidence such assignment.

#### 7. Miscellaneous.

(a) Assignment and Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, legatees, executors, administrators, legal representatives, successors and assigns. Notwithstanding anything in the foregoing to the contrary, the Executive may not assign any of the Executive's rights or

obligations under this Agreement without first obtaining the written consent of the Company. The Company may assign this Agreement in connection with a sale of all or substantially all of its business and/or assets (whether direct or indirect, by purchase, merger, consolidation or otherwise) and will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. "Company" means the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that assumes and agrees to perform this Agreement by operation of law or otherwise.

(b) Survival. The provisions of Sections 3, 4, 5, 6 and 7 shall survive the termination of this Agreement pursuant to Section 3.

(c) Notices. Any notices to be given hereunder shall be in writing and delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid as follows:

If to the Executive, addressed to the Executive at the address then shown in the Executive's employment records

If to the Company at:

PVH Corp.  
200 Madison Avenue  
New York, New York 10016  
Attention: Chairman

With a copy to:

PVH Corp.  
200 Madison Avenue  
New York, New York 10016  
Attention: Executive Vice President, General Counsel and Secretary

Any party may change the address to which notices are to be sent by giving notice of such change of address to the other party in the manner provided above for giving notice.

(d) Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without regard to the principles thereof relating to the conflict of laws.

(e) Consent to Jurisdiction. Any judicial proceeding brought against the Executive with respect to this Agreement may be brought in any court of competent jurisdiction in the Borough of Manhattan in the City and State of New York and, by execution and delivery of this Agreement, the Executive:

(i) accepts, generally and unconditionally, the nonexclusive jurisdiction of such courts and any related appellate courts, and irrevocably agrees to be bound by any final judgment (after exhausting all appeals therefrom or after all time periods for such appeals have expired) rendered thereby in connection with this Agreement; and

(ii) irrevocably waives any objection the Executive may now or hereafter have as to the venue of any such suit, action or proceeding brought in such a court or that such court is an inconvenient forum.

(f) Severability. The invalidity of any one or more provisions of this Agreement or any part thereof shall not affect the validity of any other provision of this Agreement or part thereof; and in the event that one or more provisions contained herein shall be held to be invalid, the Agreement shall be reformed to make such provisions enforceable.

(g) Waiver. The Company, in its sole discretion, may waive any of the requirements imposed on the Executive by this Agreement. The Company, however, reserves the right to deny any similar waiver in the future. Each such waiver must be express and in writing and there will be no waiver by conduct. Pursuit by the Company of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies and actions are cumulative and not exclusive. The Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason or the Company's right to terminate the Executive's employment for Cause, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(h) Indemnification. The Company shall indemnify the Executive and hold the Executive harmless from and against any claim, loss or cause of action arising from or out of the Executive's performance as an officer, director or employee of the Company or in any other capacity, including any fiduciary capacity, in which the Executive serves at the request of the Company to the maximum extent permitted by applicable law; *provided, however*, that the Executive shall not be entitled to indemnification hereunder with respect to any expense, loss, liability or damage which was caused by the Executive's own gross negligence, willful misconduct or reckless disregard of the Executive's duties hereunder. The Company shall pay any and all reasonable legal fees incurred by the Executive in the defense of any such claim on a current basis, *provided, however*, that the Executive shall be obligated to reimburse the Company for any fees that it is determined the Executive is not entitled to have paid by the Company under applicable law. The Company shall have the right to select counsel reasonably acceptable to the Executive to defend such claim and to have the same counsel represent the Company and its officers and directors unless there is a material conflict of interest between the Company and the Executive, in which case the Executive may select and retain the Executive's own counsel at the Company's expense. The Executive shall not settle any action or claim against the Executive without the prior written consent of the Company.

(i) Legal Fees. The Company agrees to reimburse the Executive (within 10 days following the Company's receipt of an invoice from the Executive), at any time from the effective date of this Agreement through the Executive's remaining lifetime (or, if longer, through the 20th anniversary of the effective date) to the fullest extent permitted by law, for all legal fees and expenses that the Executive may reasonably incur as a result of any contest by the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive about the amount of any payment pursuant to this Agreement), *provided*, that the Executive prevails with respect to at least one substantive issue in dispute. In order to comply with Section 409A, in no event shall the payments by the Company under this Section 7(i) be made later than the end of the calendar year next following the calendar year in which any such contest is finally resolved, *provided*, that the Executive shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such contest is finally resolved. The amount of such legal fees and expenses that the Company is obligated to pay in any given calendar year shall not affect the legal fees and expenses that the Company is obligated to pay in any other calendar year, and the Executive's right to have the Company pay such legal fees and expenses may not be liquidated or exchanged for any other benefit.

(j) Section Headings. The section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

(k) Withholding. Any payments provided for hereunder shall be reduced by any amounts required to be withheld by the Company, and any benefits provided hereunder shall be subject to taxation if and to the extent provided, from time to time under applicable Federal, State or local employment or income tax laws or similar statutes or other provisions of law then in effect.

(l) Section 409A of the Code. The provisions of this Agreement and any payments made herein are intended to comply with, and should be interpreted consistent with, the requirements of Section 409A of the Code and any related regulations or other effective guidance promulgated thereunder (collectively, "Section 409A"). The time or schedule of a payment to which the Executive is entitled under this Agreement may be accelerated at any time that this Agreement fails to meet the requirements of Section 409A and any such payment will be limited to the amount required to be included in the Executive's income as a result of the failure to comply with Section 409A. If any provision of this Agreement or any payment made hereunder fails to meet the requirements of Section 409A, the Company shall have no liability for any tax, penalty or interest imposed on the Executive by Section 409A, and the Executive shall have no recourse against the Company for payment of any such tax, penalty, or interest imposed by Section 409A.

(m) Waiver of Jury Trial. The Company and the Executive hereby waive, as against the other, trial by jury in any judicial proceeding to which they are both parties involving, directly or indirectly, any matter in any way arising out of, related to or connected with this Agreement.

(n) Entire Agreement. This Agreement contains the entire understanding, and cancels and supersedes all prior agreements, including, without limitation, the Existing Agreement and any agreement in principle or oral statement, letter of intent, statement of understanding or guidelines of the parties hereto with respect to the subject matter hereof. Notwithstanding the foregoing, this Agreement does not cancel or supersede the Plans (as defined in Section 2(b)) or the plans referred to in Section 2(c). This Agreement may be amended, supplemented or otherwise modified only by a written document executed by each of the parties hereto or their respective successors or assigns. The Executive acknowledges that the Executive is entering into this Agreement of the Executive's own free will and accord with no duress, and that the Executive has read this Agreement and understands it and its legal consequences.

(o) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of a manually executed copy of this Agreement.

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**



IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

PVH CORP.

By: /s/ Emanuel Chirico  
Name: Emanuel Chirico  
Title: Chairman and Chief Executive Officer

/s/ Mark Fischer  
MARK FISCHER  
Date: January 17, 2020

**RELEASE**

**TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT MARK D. FISCHER** (the “Releasor”), on behalf of the Releasor and the Releasor’s heirs, executors, administrators and legal representatives, in consideration of the severance to be paid and other benefits to be provided pursuant to Section 3(b), 3(f)(ii) of the Employment Agreement between the Releasor and PVH Corp., effective as of November 1, 2019 (the “Agreement”) and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, hereby irrevocably, unconditionally, generally and forever releases and discharges PVH Corp., together with its current and former affiliates and subsidiaries (the “Company”), each of their respective current and former officers, directors, employees, agents, representatives and advisors and their respective heirs, executors, administrators, legal representatives, receivers, affiliates, beneficial owners, successors and assigns (collectively, the “Releasees”), from, and hereby waives and settles, any and all, actions, causes of action, suits, debts, promises, damages, or any liability, claims or demands, known or unknown and of any nature whatsoever and which the Releasor ever had, now has or hereafter can, shall or may have, for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this Release arising directly or indirectly pursuant to or out of the Releasor’s employment with the Company or the termination of such employment (collectively, “Claims”), including, without limitation, any Claims (i) arising under any federal, state, local or other statutes, orders, laws, ordinances, regulations or the like that relate to the employment relationship and/or worker or workplace protection, and/or specifically prohibit discrimination based upon age, race, religion, gender, national origin, disability, sexual orientation or any other unlawful bases, including, without limitation, the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, as amended, the Civil Rights Acts of 1866 and 1871, as amended, the Americans with Disabilities Act of 1990, as amended, the Employee Retirement Income Security Act of 1974, as amended, the Family and Medical Leave Act of 1993, as amended, the Older Workers Benefit Protection Act (“OWBPA”), the Equal Pay Act, Rehabilitation Act of 1973, Sarbanes-Oxley Act of 2002, the Worker Adjustment Retraining and Notification (“WARN”) Act, the New York and New Jersey WARN statutes, the New York State and New York City Human Rights Laws, as amended, New York State Labor Laws, the laws of the States of New York and New Jersey, the City of New York and Somerset County, New Jersey relating to discrimination and employment, including, the New Jersey Family Leave Act, the New Jersey Conscientious Employee Protection Act, the New York and New Jersey Constitutions, and any and all applicable rules and regulations promulgated pursuant to or concerning any of the foregoing statutes; (ii) arising under or pursuant to any contract, express or implied, written or oral, including, without limitation, the Agreement; (iii) for wrongful dismissal or termination of employment; (iv) for tort, tortious or harassing conduct, infliction of mental or emotional distress, fraud, libel or slander; and (v) for damages, including, without limitation, punitive or compensatory damages or for attorneys’ fees, expenses, costs, wages, injunctive or equitable relief. This Release shall not apply to any claim that the Releasor may have for a breach of Section 3(b), 3(f)(ii), 5(d), 7(h), or 7(i) of the Agreement or any plan or program of the type referred to in Sections 2(b) and 2(c) of the Agreement in which the Releasor was a participant.

The Releasor agrees not to file, assert or commence any Claims against any Releasee with any federal, state or local court or any administrative or regulatory agency or body. Notwithstanding the foregoing, nothing herein shall constitute a release by the Releasor of a claim to the extent such claim is not waivable as a matter of applicable law. Without limiting the generality of the foregoing, nothing herein shall affect any right to file an administrative charge with

the Equal Employment Opportunity Commission, subject to the restriction that if any such charge is filed, the Releasor agrees not to violate the confidentiality provisions of the Agreement and further agrees and covenants that should the Releasor or any other person, organization, or other entity file, charge, claim, sue or cause or permit to be filed any charge with the Equal Employment Opportunity Commission, civil action, suit or legal proceeding against the Releasees (or any of them) involving any matter occurring at any time in the past, the Releasor will not seek or accept any personal relief (including, but not limited to, a monetary award, recovery, relief or settlement) in such charge, civil action, suit or proceeding.

The Releasor represents and warrants that there has been no assignment or other transfer of any interest in any Claim which the Releasor may have against the Releasees, or any of them, and the Releasor agrees to indemnify and hold the Releasees, and each of them, harmless from any Claims, or other liability, demands, damages, costs, expenses and attorneys' fees incurred by the Releasees, or any of them, as a result of any person asserting any such assignment or transfer. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery by the Releasees against the Releasor under this indemnity.

The Releasor agrees that if the Releasor hereafter commences, joins in, or in any manner seeks relief through any suit arising out of, based upon, or relating to any Claim released hereunder, or in any manner asserts against the Releasees, or any of them, any Claim released hereunder, then the Releasor shall pay to the Releasees, and each of them, in addition to any other damages caused to the Releasees thereby, all attorneys' fees incurred by the Releasees in defending or otherwise responding to said suit or Claim.

The Releasor hereby waives any right to, and agrees not to, seek reinstatement of the Releasor's employment with the Company or any Releasee. The Releasor acknowledges that the amounts to be paid to the Releasor under Section 3(b), 3(f)(ii) of the Agreement include benefits, monetary or otherwise, which the Releasor has not earned or accrued, or to which the Releasor is not already entitled.

The Releasor acknowledges that the Releasor was advised by the Company to consult with the Releasor's attorney concerning the waivers contained in this Release, that the Releasor has consulted with counsel, and that the waivers the Releasor has made herein are knowing, conscious and with full appreciation that the Releasor is forever foreclosed from pursuing any of the rights so waived.

The Releasor has a period of 21 days from the date on which a copy of this Release has been delivered to the Releasor to consider whether to sign it. In addition, in the event that the Releasor elects to sign and return to PVH Corp. a copy of this Release, the Releasor has a period of seven days (the "Revocation Period") following the date of such return to revoke this Release, which revocation must be in writing and delivered to PVH Corp., 200 Madison Avenue, New York, New York 10016, Attention: General Counsel, within the Revocation Period. This Release, and the Releasor's right to receive the amounts to be paid to the Releasor under Section 3(b), 3(f)(ii), shall not be effective or enforceable until the expiration of the Revocation Period without the Releasor's exercise of the Releasor's right of revocation.

This Release shall not be amended, supplemented or otherwise modified in any way except in a writing signed by the Releasor and PVH Corp.

This Release shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without reference to its principles of conflicts of law.

**IN WITNESS WHEREOF**, the Releasor has caused this Release to be executed as of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
MARK D. FISCHER

SWORN TO AND SUBSCRIBED  
BEFORE ME THIS \_\_\_\_ DAY OF  
\_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

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**CREDIT AGREEMENT**

**dated as of December 9, 2022**

**among**

**PVH CORP., as U.S. Borrower,**

**CERTAIN SUBSIDIARIES OF PVH CORP. FROM TIME TO TIME PARTY HERETO,**  
**as Borrowers,**

**VARIOUS LENDERS,**

**BARCLAYS BANK PLC,**  
**as Administrative Agent,**

**CITIBANK, N.A.,**  
**as Syndication Agent**

**and**

**BOFA SECURITIES, INC., TRUIST BANK, BANK OF CHINA, NEW YORK BRANCH, BNP PARIBAS, DBS BANK LTD.,  
CITIZENS BANK, N.A., HSBC BANK USA, NATIONAL ASSOCIATION, STANDARD CHARTERED BANK, THE BANK  
OF NOVA SCOTIA and U.S. BANK NATIONAL ASSOCIATION,**  
**as Documentation Agents**

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**BARCLAYS BANK PLC, CITIBANK, N.A., JPMORGAN CHASE BANK, N.A., BOFA SECURITIES, INC. and TRUIST  
SECURITIES, INC.,**  
**as Joint Lead Arrangers,**

**and**

**BARCLAYS BANK PLC, CITIBANK, N.A., JPMORGAN CHASE BANK, N.A., BOFA SECURITIES, INC. and TRUIST  
SECURITIES, INC.,**  
**as Joint Lead Bookrunners**

**Credit Facilities**

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	6.01(d)	Existing Liens
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<b>EXHIBITS:</b>	A-1	Borrowing Notice
	A-2	Conversion/Continuation Notice
	A-3	Issuance Notice
	B-1	Tranche A Euro Term Loan Note
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	B-3	Swing Line Note
	B-4	Incremental Term Loan Note
	C	Compliance Certificate
	D	Certificate re Non-Bank Status
	E-1	Closing Date Certificate
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	F	Additional Borrower Joinder
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	H	Extension Request
	I	Counterpart Agreement

## CREDIT AGREEMENT

This **CREDIT AGREEMENT**, dated as of December 9, 2022, is entered into by and among **PVH CORP.**, a Delaware corporation (together with its permitted successors and assigns, the “U.S. Borrower”), **PVH ASIA LIMITED**, with the registration number 1376775, a company incorporated under the laws of Hong Kong (together with its permitted successors and assigns until such entity is removed as a Borrower hereunder pursuant to Section 2.25, the “Initial Hong Kong Borrower”), **PVH B.V.**, with the registration number 27278835, a Dutch private limited liability company with its corporate seat in Amsterdam, The Netherlands (together with its permitted successors and assigns until such entity is removed as a Borrower hereunder pursuant to Section 2.25, the “Euro Borrower”), **PVH BRANDS AUSTRALIA PTY LIMITED**, with Australian company number 165 485 290, a company incorporated under the laws of Australia (together with its permitted successors and assigns until such entity is removed as a Borrower hereunder pursuant to Section 2.25, the “Australian Borrower”), certain other Subsidiaries of the U.S. Borrower from time to time party hereto, in each case, added in accordance with the provisions hereof as borrowers or guarantors, the Lenders party hereto from time to time, and **BARCLAYS BANK PLC** (“Barclays”), as Administrative Agent (together with its permitted successors and assigns in such capacity, the “Administrative Agent”), with **BARCLAYS, CITIBANK, N.A., JPMORGAN CHASE BANK, N.A. (“JPMorgan”), BOFA SECURITIES, INC. (“BofA Securities”) and TRUIST SECURITIES, INC. (“Truist Securities”),** as Arrangers, **CITIBANK, N.A.**, as Syndication Agent (together with its permitted successors and assigns in such capacity, the “Syndication Agent”), and **BOFA SECURITIES, TRUIST BANK, BANK OF CHINA, NEW YORK BRANCH, BNP PARIBAS, CITIZENS BANK, N.A., DBS BANK LTD., HSBC BANK USA, NATIONAL ASSOCIATION, STANDARD CHARTERED BANK, THE BANK OF NOVA SCOTIA AND U.S. BANK NATIONAL ASSOCIATION**, as Documentation Agent.

### RECITALS:

**WHEREAS**, the Borrowers have requested that the Lenders and the Issuing Banks (as defined below) extend credit to the Borrowers from time to time on the terms and subject to the conditions set forth herein.

**NOW, THEREFORE**, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

### ARTICLE I. DEFINITIONS AND INTERPRETATION

**Section 1.01 Definitions.** The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings:

“Acquisition Consideration” means the purchase consideration for any Subject Acquisition and all other payments by any Group Member in exchange for, or as part of, or in connection with, any Subject Acquisition, whether paid in cash or by exchange of Equity Interests or of properties or otherwise and whether payable at or prior to the consummation of such Subject Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and includes any and all payments representing the purchase price and any assumptions of Indebtedness, “earn-outs” and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person or business (it being understood that the amount of any deferred payment, including consideration paid in the form of or pursuant to an “earn-out” or other contingent

payment, shall be calculated as the present value of expected future payments in respect thereof, as of the date of consummation of the applicable Subject Acquisition in accordance with GAAP).

“Acquisition Debt” means any Indebtedness of the U.S. Borrower or any of its Subsidiaries that has been issued for the purpose of financing, in whole or in part, a Qualifying Acquisition and any related transactions or series of related transactions (including for the purpose of refinancing or replacing all or a portion of any pre-existing Indebtedness of the U.S. Borrower, any of its Subsidiaries or the Person(s) or assets to be acquired); provided that (a) the release of the proceeds thereof to the U.S. Borrower and its Subsidiaries is contingent upon the consummation of such Qualifying Acquisition and, pending such release, such proceeds are held in escrow (and, if the definitive agreement (or, in the case of a tender offer or similar transaction, the definitive offer document) for such acquisition is terminated prior to the consummation of such Qualifying Acquisition or if such Qualifying Acquisition is otherwise not consummated by the date specified in the definitive documentation relating to such Indebtedness, such proceeds shall be promptly applied to satisfy and discharge all obligations of the U.S. Borrower and its Subsidiaries in respect of such Indebtedness) or (b) such Indebtedness contains a “special mandatory redemption” provision (or other similar provision) or otherwise permits such Indebtedness to be redeemed or prepaid if such Qualifying Acquisition is not consummated by the date specified in the definitive documentation relating to such Indebtedness (and if the definitive agreement (or, in the case of a tender offer or similar transaction, the definitive offer document) for such Qualifying Acquisition is terminated in accordance with its terms prior to the consummation of such Qualifying Acquisition or such Qualifying Acquisition is otherwise not consummated by the date specified in the definitive documentation relating to such Indebtedness, such Indebtedness is so redeemed or prepaid within 90 days of such termination or such specified date, as the case may be).

“Acquisition Period” means the period from and after the consummation of a Qualifying Acquisition to and including the last day of the fourth full Fiscal Quarter following the Fiscal Quarter in which such Qualifying Acquisition was consummated.

“Additional Borrower” means a Subsidiary of the Borrower Representative that is appointed as a borrower in accordance with Section 2.25.

“Additional Borrower Joinder” means a joinder in substantially the form of Exhibit F hereto (or otherwise reasonably satisfactory to the Administrative Agent), to be executed by each Additional Borrower that is designated as such after the Closing Date.

“Administrative Agent” has the meaning specified in the preamble hereto.

“Adverse Proceeding” means any action, suit or proceeding at law or in equity or, to the knowledge of any Authorized Officer of any Borrower, any hearing (whether administrative, judicial or otherwise), investigation before or by any Governmental Authority or arbitration (whether or not purportedly on behalf of any Group Member) against or affecting any Group Member or any property of any Group Member.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affected Lender” has the meaning set forth in Section 2.18(b).

“Affiliate” means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, “control” (including, with correlative meanings, the terms “controlling”, “controlled

by” and “under common control with”), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise; provided, that no Agent or Lender shall be deemed to be an Affiliate of any Loan Party.

“Agent” means each of the Administrative Agent, the Syndication Agent, the Sustainability Coordinators, and the Documentation Agents.

“Agent Affiliates” has the meaning set forth in Section 10.01(b)(iii).

“Aggregate Amounts Due” has the meaning set forth in Section 2.17.

“Agreement” means this Credit Agreement, dated as of December 9, 2022, as it may be amended, restated, supplemented or otherwise modified from time to time.

“Agreement Currency” has the meaning set forth in Section 10.25.

“Alternative Currency” means any Approved Currency (other than Dollars).

“AML Laws” means all laws, rules, and regulations of the United States applicable to the Borrowers or the Borrowers’ Subsidiaries from time to time concerning or relating to anti-money laundering.

“Applicable L/C Sublimit” means (a) with respect to Barclays, \$10,000,000, (b) with respect to Citi, \$10,000,000, (c) with respect to JPMorgan, \$10,000,000, (d) with respect to Bank of America, N.A., \$10,000,000, (e) with respect to Truist Bank, \$10,000,000 and (f) with respect to any other Issuing Bank hereunder, the amount agreed to by such Issuing Bank in writing as it becomes an Issuing Bank hereunder; provided that any Issuing Bank may increase or decrease its respective Applicable L/C Sublimit to the extent agreed in writing by such Issuing Bank and the Borrower Representative, and notified to the Administrative Agent, so long as, after giving effect to such increase, the Letter of Credit Usage shall not exceed the Letter of Credit Sublimit.

“Applicable Margin” means: (a) in the case of Revolving Loans, (i) with respect to Base Rate Loans, Canadian Prime Rate Loans and Daily Simple ESTR Loans, (A) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 0.125% per annum and (B) thereafter, a percentage, per annum, determined by reference to the more favorable to the applicable Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, in each case subject to the Pricing Level Adjustment, and (ii) with respect to Term Benchmark Loans or RFR Loans, (A) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 1.125% per annum and (B) thereafter, a percentage, per annum, determined by reference to the more favorable to the applicable Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, in each case subject to the Pricing Level Adjustment and any ESG Amendment:

Pricing Level	Net Leverage Ratio	Public Debt Ratings	Applicable Margin for Term Benchmark Loans and RFR Loans	Applicable Margin for Base Rate Loans, Canadian Prime Rate Loans and Daily Simple ESTR Loans
I	$\leq 1.00:1.00$	BBB+ / Baa1	1.00%	0.00%
II	$\leq 2.00:1.00$ $> 1.00:1.00$	BBB / Baa2	1.125%	0.125%
III	$\leq 3.00:1.00$ $> 2.00:1.00$	BBB- / Baa3	1.250%	0.250%
IV	$\leq 4.00:1.00$ $> 3.00:1.00$	BB+ / Ba1	1.375%	0.375%
V	$> 4.00:1.00$	BB / Ba2	1.625%	0.625%

(b) in the case of Tranche A Euro Term Loans, (i) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 1.250% per annum and (ii) thereafter, a percentage, per annum, determined by reference to the more favorable to the Euro Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, in each case subject to the Pricing Level Adjustment:

Pricing Level	Net Leverage Ratio	Public Debt Ratings	Applicable Margin for Tranche A Euro Term Loans
I	$\leq 1.00:1.00$	BBB+ / Baa1	1.125%
II	$\leq 2.00:1.00$ $> 1.00:1.00$	BBB / Baa2	1.250%
III	$\leq 3.00:1.00$ $> 2.00:1.00$	BBB- / Baa3	1.375%
IV	$\leq 4.00:1.00$ $> 3.00:1.00$	BB+ / Ba1	1.500%
V	$> 4.00:1.00$	BB / Ba2	1.750%

With respect to the pricing grids set forth in clause (a) and (b) above, changes in the Applicable Margin shall be effective on and after the date on which, as applicable, the Administrative Agent has received the applicable financial statements and a Compliance Certificate pursuant to Section 5.08(a) or (b) calculating the Net Leverage Ratio and/or the date on which the U.S. Borrower has delivered notice to the Administrative Agent of any publicly-



announced change in the Public Debt Rating by S&P or Moody's. Promptly following receipt of the applicable information under Section 5.08(a) or (b) and/or notice of any publicly-announced change in the Public Debt Rating by S&P or Moody's, the Administrative Agent shall give each Lender electronic or telefacsimile notice of the Applicable Margin for the applicable Loans in effect from such date. In the event that any financial statement or certificate delivered pursuant to Section 5.08(a) or (b) is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any Loan, as applicable, for any period (an "Applicable Period") than the Applicable Margin for such Loans, applied for such Applicable Period, then (i) the Borrower Representative shall immediately deliver to the Administrative Agent a correct certificate required by Section 5.08(a) or (b) for such Applicable Period, (ii) the Applicable Margin for such Loans, as applicable, shall be recalculated with the Net Leverage Ratio and Public Debt Ratings at the corrected level and (iii) each applicable Borrower shall immediately pay to the Administrative Agent the accrued additional interest owing as a result of such increased Applicable Margin for such Loans, as applicable, for such Applicable Period. Nothing in this definition shall limit the right of the Administrative Agent or any Lender under Section 2.10 or Article VIII and the provisions of this definition shall survive the termination of this Agreement.

"Applicable Period" has the meaning set forth in the definition of "Applicable Margin".

"Applicable Revolving Commitment Fee Percentage" means (a) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 0.125% *per annum*, and (b) thereafter, a percentage, *per annum*, determined by reference to the more favorable to the applicable Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, subject to the Pricing Level Adjustment and any ESG Amendment:

Pricing Level	Net Leverage Ratio	Public Debt Ratings	Commitment Fee
I	$\leq 1.00:1.00$	BBB+ / Baa1	0.100%
II	$\leq 2.00:1.00$ $> 1.00:1.00$	BBB / Baa2	0.125%
III	$\leq 3.00:1.00$ $> 2.00:1.00$	BBB- / Baa3	0.150%
IV	$\leq 4.00:1.00$ $> 3.00:1.00$	BB+ / Ba1	0.175%
V	$> 4.00:1.00$	BB / Ba2	0.275%

Changes in the Applicable Revolving Commitment Fee Percentage shall be effective on and after the date on which, as applicable, the Administrative Agent has received the applicable financial statements and a Compliance Certificate pursuant to Section 5.08(a) or (b), calculating the Net Leverage Ratio and/or the date on which the U.S. Borrower has delivered notice to the Administrative Agent of any publicly-announced change in the Public Debt Rating by S&P or Moody's. Promptly following receipt of the applicable information under Section 5.08(a) or (b) and/or notice of any publicly-announced change in the Public Debt Rating by S&P or Moody's, the Administrative Agent shall give each Lender electronic or telefacsimile notice of the

Applicable Revolving Commitment Fee Percentage in effect from such date. In the event that any financial statement or certificate delivered pursuant to Section 5.08(a) or (b) is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Applicable Revolving Commitment Fee Percentage for any Applicable Period than the Applicable Revolving Commitment Fee Percentage applied for such Applicable Period, then (i) the Borrower Representative shall immediately deliver to the Administrative Agent a correct certificate required by Section 5.08(a) or (b) for such Applicable Period, (ii) the Applicable Revolving Commitment Fee Percentage shall be recalculated with the Net Leverage Ratio and Public Debt Ratings at the corrected level and (iii) each applicable Borrower shall immediately pay to the Administrative Agent the accrued additional fees owing as a result of such increased Applicable Revolving Commitment Fee Percentage for such Applicable Period. Nothing in this definition shall limit the right of the Administrative Agent or any Lender under Section 2.10 or Article VIII and the provisions of this definition shall survive the termination of this Agreement.

“Applicable ESTR Adjustment” means, for any day, with respect to any Swing Line Loan denominated in Euros, the rate per annum equal to 0.085%.

“Applicable Revolving Sublimit” means the lesser of (a) (i) in case of the Multicurrency Revolving Loan denominated in Australian Dollars, AUD 50,000,000, (ii) in case of the Multicurrency Revolving Loan denominated in Canadian Dollars, CAD \$70,000,000, and (iii) in case of the Multicurrency Revolving Loan denominated in Euros or Other Foreign Currencies, the Euro Equivalent of €250,000,000, and (b) the aggregate unused amount of the Multicurrency Revolving Commitments then in effect.

“Applicable SOFR Adjustment” means, for any Interest Period, the rate per annum equal to 0.10%.

“Applicable SONIA Adjustment” means, for any day, with respect to any SONIA Loan, the rate per annum equal to 0.0326%.

“Applicable Subsidiary” has the meaning assigned to such term in Section 7.01.

“Approved Currency” means each of Dollars, Euros, Canadian Dollars, Australian Dollars, Hong Kong Dollars or any Other Foreign Currency.

“Approved Electronic Communications” means any notice, demand, communication, information, document or other material that any Loan Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to Agents or to Lenders by means of electronic communications pursuant to Section 10.01(b).

“Approved Issuing Currency” has the meaning set forth in Section 1.06.

“Arrangers” means Barclays, Citibank, N.A., JPMorgan, BofA Securities and Truist Securities each in its capacity as a joint lead arranger.

“Assignment Agreement” means an assignment agreement in the form agreed to by the Administrative Agent and the Lenders on the Closing Date, with such amendments or modifications solely to reflect market practice as may be approved in writing by the Administrative Agent.

“Assignment Effective Date” has the meaning set forth in Section 10.06(b).

“AUD Rate” means, with respect to any Term Benchmark Loan denominated in Australian Dollars and for any Interest Period, the AUD Screen Rate.

“AUD Rate Loan” means a Loan that bears interest based on the AUD Rate.

“AUD Screen Rate” means on any day for the relevant Interest Period, the Australian Bank Bill Swap Reference Rate administered by ASX Benchmarks Pty Limited (ACN 616 075 417) (or any other Person that takes over the administration of such rate) for Australian dollar bills of exchange with a tenor equal in length to such Interest Period as displayed on page BBSW of the Thomson Reuters screen (or, in the event such rate does not appear on such Thomson Reuters page, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate as shall be selected by the Administrative Agent from time to time in its reasonable discretion) as of 11:00 a.m., Sydney, Australia time, two Business Days prior to the commencement of such Interest Period. If the AUD Screen Rate shall be less than the Floor, the AUD Screen Rate shall be deemed to be the Floor for purposes of this Agreement.

“Australian Associate” has the meaning given in section 128F(9) of the Australian Tax Act.

“Australian Borrower” has the meaning specified in the preamble hereto.

“Australian Corporations Act” means Corporations Act 2001 (Commonwealth of Australia).

“Australian Dollars” or “AUD” means the lawful currency of Australia.

“Australian Excluded Taxes” means

(i) in respect of any Revolving Loan that is incurred by the Australian Borrower, any Australian IWT which arise in respect of interest paid or payable to a Lender that is an Australian Offshore Associate of the Australian Borrower;

(ii) in respect of any Revolving Loan that is incurred by the Australian Borrower, Australian IWT required to be deducted from a payment to an Arranger or Lender as a result of that Arranger or Lender's breach of any representation or warranty given by that Arranger or Lender, as the case may be, under paragraphs (g) or (h) of Section 2.20;

(iii) in respect of any Revolving Loan that is incurred by the Australian Borrower, a Tax imposed, withheld or deducted pursuant to a direction to the applicable Borrower under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 of the Australian TAA; or

(iv) in respect of any Revolving Loan that is incurred by the Australian Borrower, a Tax imposed as a result of a failure of a Lender whose lender office is located in Australia, to provide the applicable Borrower, details of its Australian Business Number, Tax File Number or exemption details such Borrower may reasonably require to establish that the relevant Tax is not payable.

“Australian GST” means a goods and services tax, or a similar value added tax, levied or imposed under the "GST law" as defined in the A New Tax System (Goods and Services Tax) Act 1999 (Commonwealth of Australia).

“Australian Ipso Facto Amendment” means Treasury Laws Amendment (2017 Enterprise Incentives No.2) Act 2017 (Commonwealth of Australia).

“Australian IWT” means Australian interest withholding tax required to be withheld or deducted from any interest or other payment under Division 11A of Part III of the Australian Tax Act or Subdivision 12-F of Schedule 1 to the Australian TAA.

“Australian Offshore Associate” means an Australian Associate: (i) which is a non-resident of Australia and does not become a Lender or receive a payment in carrying on a business in Australia at or through a permanent establishment of the Australian Associate in Australia; or (ii) which is a resident of Australia and which becomes a Lender or receives a payment in carrying on a business in a country outside Australia at or through a permanent establishment of the Australian Associate in that country; and (in each case), which does not become a Lender or receive a payment of interest under this Agreement in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme (as defined in the Australian Corporations Act).

“Australian PPSA” means the Personal Property Securities Act 2009 (Commonwealth of Australia).

“Australian PPSR” means the register established under section 147 of the Australian PPSA.

“Australian TAA” means the Taxation Administration Act 1953 (Cth).

“Australian Tax Act” means the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth) jointly or as applicable.

“Authorized Officer” means, as applied to any Person, the chairman of the board (if an officer), principal executive officer, president or any corporate vice president (or the equivalent thereof), Financial Officer, principal accounting officer, treasurer, assistant treasurer, or any director of such Person or any other Person that has been authorized to take action under this Agreement on behalf of such Person. Unless otherwise specified, an Authorized Officer shall refer to an Authorized Officer of the Borrower Representative.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark for any currency, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.27(d).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as

amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank Guarantee” means a direct guarantee issued for the account of any Foreign Subsidiary pursuant to this Agreement by an Issuing Bank, in form acceptable to such Issuing Bank, ensuring that a liability of such Subsidiary acceptable to such Issuing Bank and owing to a third party will be met.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as now and hereafter in effect, or any successor statute.

“Barclays” has the meaning specified in the preamble hereto.

“Base Rate” means, for any day, a rate *per annum* equal to the greatest of (x) the rate last quoted by The Wall Street Journal as the “Prime Rate” in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent) (the “Prime Rate”), (y) the Federal Funds Effective Rate plus  $\frac{1}{2}$  of 1.0% and (z) Term SOFR published on such day (or if such day is not a Business Day the immediately preceding Business Day) for an Interest Period of one month plus 1.0%. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Term SOFR shall be effective on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the Term SOFR, respectively.

“Base Rate Loan” means a Loan bearing interest at a rate determined by reference to the Base Rate.

“Base Rate Term SOFR Determination Day” has the meaning assigned to such term in the definition of “Term SOFR”.

“Benchmark” means, initially, with respect to any

(a) Obligations denominated in, or calculated with respect to, Dollars, Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Term SOFR or the then-current Benchmark, then “Benchmark” means, with respect to such Obligations, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.27,

(b) Obligations denominated in, or calculated with respect to, Sterling or Swiss Francs, the Daily Simple RFR applicable for such currency; provided that if a Benchmark Transition Event has occurred with respect to such Daily Simple RFR or the then-current Benchmark for such currency, then “Benchmark” means, with respect to such Obligations, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.27; and

(c) Obligations denominated in, or calculated with respect to, Euros, Japanese Yen, Australian Dollars, Hong Kong Dollars or Canadian Dollars, EURIBOR Rate, TIBOR Rate, AUD Rate, HIBOR Rate or CDO Rate, respectively; provided that if a Benchmark Transition Event has occurred with respect to EURIBOR Rate, TIBOR Rate, AUD Rate, HIBOR Rate or

CDO Rate, as applicable, or the then-current Benchmark for such currency, then “Benchmark” means, with respect to such Obligations, the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.27. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date; provided that, in the case of any Loan denominated in an Alternative Currency (other than Canadian Dollars), “Benchmark Replacement” shall mean the alternative set forth in clause (b) below:

(a) (i) with respect to Term SOFR Loans, Daily Simple SOFR, or (ii) with respect to Loans denominated in Canadian Dollars (other than Canadian Prime Rate Loans) (A) Term CORRA, or (B) Daily Compounded CORRA; or

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for syndicated credit facilities in the applicable currency at such time and (ii) the related Benchmark Replacement Adjustment;

provided, that if the Benchmark Replacement would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower Representative giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities in the applicable currency at such time.

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event”, the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event”, the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark

(or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.27 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.27.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Board of Directors” means, with respect to any Person, the board of directors, the board of managers or similar governing body of such Person, or if such Person is owned and/or managed by a single entity, the board of directors or similar governing body of such entity.

“Board of Governors” means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

“BofA” has the meaning specified in the preamble hereto.

“BofA Securities” has the meaning specified in the preamble hereto.

“Bookrunners” means each of Barclays, Citibank, N.A., JPMorgan, BofA Securities and Truist, each in its capacity as a joint lead bookrunner.

“Borrower Representative” means the U.S. Borrower in its capacity as representative of the other Borrowers as set forth in Section 2.25.

“Borrowers” means the Multicurrency Borrowers and/or the Hong Kong Borrowers, as the case may be.

“Borrowing Notice” means a notice substantially in the form of Exhibit A-1.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; *provided that*, (i) when used in connection with a Loan denominated in Euros, the term “Business Day” shall also exclude any day which is not a TARGET Day, (ii) when used in connection with a Loan denominated in Sterling, the term “Business Day” shall also exclude any day which banks are closed for general business in London, (iii) when used in connection with a Loan denominated in Swiss Francs, the term “Business Day” shall also exclude any day which banks are closed for the settlement of payments and foreign exchange transactions in Zurich, (iv) when used in connection with a Loan denominated in Yen, the term “Business Day” shall also exclude any day which banks are closed for general business in Japan, (v) when used in connection with a Loan denominated in Australian Dollars, the term “Business Day” shall also exclude any day which banks are closed for general business in Sydney, (vi) when used in connection with a Loan denominated in Canadian Dollars, the term “Business Day” shall also exclude any day which banks are closed for general business in Canada, (vii) when used in connection with a Loan denominated in Hong Kong Dollars, the term “Business Day” shall also exclude any day which banks are closed for general business in Hong Kong and (viii) when used in connection with a Loan denominated in any other currency, the term “Business Day” shall also exclude any day which is not a day on which dealings in such currency can occur in the London interbank market and on which banks are open for business in the principal financial center for that currency.



“Canadian Dollars” or “CAD \$” means the lawful money of Canada.

“Canadian Prime Rate” means, on any day, the rate determined by the Administrative Agent to be the higher of (i) the rate equal to the PRIMCAN Index rate that appears on the Bloomberg screen at 10:15 a.m. Toronto, Ontario time on such day (or, in the event that the PRIMCAN Index is not published by Bloomberg, any other information services that publishes such index from time to time, as selected by the Administrative Agent in its reasonable discretion) and (ii) the average rate for thirty (30) day Canadian Dollar bankers’ acceptances that appears on the CDO Rate page of the Thomson Reuters screen (or, in the event such rate does not appear on such page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, as selected by the Administrative Agent in its reasonable discretion) at 10:15 a.m. Toronto, Ontario time on such day, plus 1.0% per annum; provided that if any the above rates shall be less than the Floor, such rate shall be deemed to be the Floor for purposes of this Agreement. Any change in the Canadian Prime Rate due to a change in the PRIMCAN Index or CDO Rate shall be effective from and including the effective date of such change in the PRIMCAN Index or CDO Rate, respectively.

“Canadian Prime Rate Loans” means Loans for which the applicable rate of interest is based upon the Canadian Prime Rate.

“Cash Collateralize” means either (a) the delivery of cash to the Administrative Agent as security for the payment of Obligations in respect of Letters of Credit in an amount equal to 102.0% of the aggregate face amount of such outstanding Letters of Credit or (b) the delivery to the applicable Issuing Bank of a customary back-to-back letter of credit in an amount equal to 102.0% of the aggregate face amount of the outstanding Letters of Credit issued by such Issuing Bank. “Cash Collateralization” has a correlative meaning.

“Cash Management Agreement” means any agreement or arrangement to provide treasury, depository, overdraft, credit or debit card, purchase card, electronic funds transfer (including automated clearinghouse transfer services) and other cash management services entered into with a Lender Counterparty.

“CDO Rate” means, with respect to any Term Benchmark Loan denominated in Canadian Dollars and for any Interest Period, the CDO Screen Rate.

“CDO Rate Loan” means a Loan that bears interest based on the CDO Rate, other than, in each case, pursuant to clause (ii) of the definition of “Canadian Prime Rate”.

“CDO Screen Rate” means on any day for the relevant Interest Period, the annual rate of interest equal to the average rate applicable to Canadian dollar Canadian bankers’ acceptances for the applicable period that appears on the CDO Rate page of the Thomson Reuters screen (or, in the event such rate does not appear on such page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, as selected by the Administrative Agent in its reasonable discretion), rounded to the nearest 1/100th of 1% (with .005% being rounded up), at approximately 10:15 a.m., Toronto, Ontario time, two Business Days prior to the commencement of such Interest Period (as adjusted by the Administrative Agent after 10:00 a.m. Toronto, Ontario time to reflect any error in the posted rate of interest or in the posted average annual rate of interest). If the CDO Screen Rate shall be less than the Floor, the CDO Screen Rate shall be deemed to be the Floor for purposes of this Agreement.

“**Central Bank Rate**” means, the greater of (A)(i) for any Loan denominated in (a) Sterling, the Bank of England’s “Bank Rate” as published by the Bank of England from time to time, (b) Swiss Francs, the policy rate of the Swiss National Bank as published by the Swiss National Bank from time to time, (c) Euro, one of the following three rates as may be selected by the Administrative Agent in its reasonable discretion: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank, each as published by the European Central Bank from time to time, (2) the rate for the marginal lending facility of the European Central Bank, as published by the European Central Bank from time to time or (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by the European Central Bank from time to time, (d) Yen, the “short-term prime rate” as publicly announced by the Bank of Japan (or any successor thereto) from time to time and (e) any other Alternative Currency, a central bank rate as determined by the Administrative Agent in its reasonable discretion, plus (ii) the applicable Central Bank Rate Adjustment; and (B) the Floor.

“**Central Bank Rate Adjustment**” means, for any day, for any Loan denominated in (a) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of SONIA for the five most recent RFR Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest SONIA applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period, (b) Swiss Franc, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of SARON for the five most recent RFR Business Days preceding such day for which SARON was available (excluding, from such averaging, the highest and the lowest SARON applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Swiss Francs in effect on the last RFR Business Day in such period, (c) Euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the EURIBOR Rate for the five most recent Business Days preceding such day for which the EURIBOR Rate was available (excluding, from such averaging, the highest and the lowest EURIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period, (d) Japanese Yen, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the TIBOR Rate for the five most recent Business Days preceding such day for which the TIBOR Rate was available (excluding, from such averaging, the highest and the lowest TIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Japanese Yen in effect on the last Business Day in such period and (e) any other Alternative Currency, a central bank rate adjustment as determined by the Administrative Agent in its reasonable discretion in consultation with the Borrower Representative. For purposes of this definition, the term Central Bank Rate shall be determined disregarding clause (A) (ii) of the definition of such term.

“**Certificate re Non-Bank Status**” means a certificate substantially in the form of Exhibit D.

“**CFC Holdco**” means any Subsidiary other than a Foreign Subsidiary which owns no material assets other than equity interests (or equity interests and Indebtedness) of one or more Foreign Subsidiaries or equity interests (or equity interests and Indebtedness) of one or more other CFC Holdcos.

“**Change of Control**” means (i) the U.S. Borrower ceases to own, directly or indirectly, 100% of the Equity Interests of any Other Borrower, (ii) an event or series of events by which any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange

Act, but excluding any Employee Benefit Plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) (a) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 35.0% of the then-outstanding shares of capital stock or equivalent interests of the U.S. Borrower the holders of which are ordinarily, in the absence of contingencies, entitled to vote for members of the Board of Directors or equivalent governing body of the U.S. Borrower on a fully diluted basis, even though the right to so vote has been suspended by the happening of such a contingency (the “Voting Stock”) or (b) obtains the power (whether or not exercised) to elect a majority of the members of the Board of Directors of the U.S. Borrower or (iii) the majority of the seats (other than vacant seats) on the Board of Directors of the U.S. Borrower cease to be occupied by Continuing Directors. Notwithstanding the foregoing, a transaction will not be considered to be a Change of Control under clause (ii) above, if (x) the U.S. Borrower becomes a direct or indirect Wholly-Owned Subsidiary of another Person (a “Parent Entity”) and (y)(1) the direct or indirect holders of the Voting Stock of such Parent Entity immediately following that transaction are substantially the same as the holders of the Voting Stock of the U.S. Borrower outstanding immediately prior to such transaction or (2) immediately after giving effect to such transaction no “person” or “group” (other than a Person satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 35.0% of the Voting Stock of such Parent Entity.

“Citi” means Citigroup Global Markets Inc., together with Citibank, N.A., Citicorp USA, Inc., Citicorp North America, Inc. and/or any of their affiliates as may be appropriate to provide the services contemplated herein.

“CKI Trust” means the trust established pursuant to the Delaware Business Trust Act, as amended, and the CKI Trust Agreement.

“CKI Trust Agreement” means the Trust Agreement, dated as of March 14, 1994, between CKI and Wilmington Trust Company, relating to the CKI Trust, and the other agreements related thereto.

“Class” means (i) with respect to Lenders, each of the following classes of Lenders: (a) Lenders having Tranche A Euro Term Loan Exposure, (b) Lenders having Multicurrency Revolving Exposure (including any Swing Line Lender), (c) Lenders having Hong Kong Revolving Exposure, and (d) Lenders having Incremental Term Loan Exposure of each applicable Series, and (ii) with respect to Loans, each of the following classes of Loans: (a) Tranche A Euro Term Loans, (b) Multicurrency Revolving Loans (including Swing Line Loans), (c) Hong Kong Revolving Loans and (d) each Series of Incremental Term Loans.

“Closing Date” means the first date all the conditions precedent in Section 3.01 are satisfied (or waived in accordance with Section 10.05), which date is December 9, 2022.

“Closing Date Certificate” means a Closing Date Certificate substantially in the form of Exhibit E-1.

“Commitment” means any Revolving Commitment or Term Loan Commitment.

“Commodity Agreement” means any and all commodity swap agreements, cap agreements, collar agreements, floor agreements, exchange agreements, forward contracts, option contracts or other similar agreement or arrangement, each of which is for the purpose of hedging the commodity exposure associated with the operations of the Group and not for speculative purposes.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*), as amended from time to time, and any successor statute.

“Compliance Certificate” means a Compliance Certificate substantially in the form of Exhibit C.

“Conforming Changes” means, with respect to the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” “Canadian Prime Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “RFR Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.18(c) and other technical, administrative or operational matters) that the Administrative Agent decides, after consultation with the Borrower Representative, in its reasonable discretion may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides in its reasonable discretion that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines in its reasonable discretion that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides in its reasonable discretion is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Consenting Lender” has the meaning set forth in Section 2.26(c).

“Consolidated EBITDA” means, for any period, for the U.S. Borrower and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period *plus*

(a) the following (without duplication) to the extent deducted in calculating such Consolidated Net Income for such period: (i) consolidated interest expense for such period; (ii) provisions for taxes based on income, profits or capital; (iii) depreciation and amortization expense for such period; (iv) all non-cash expenses, losses or charges for such period (other than any such non-cash expenses, losses or charges that represent an accrual or reserve for future cash expenses, losses or charges), including, without limitation, non-cash stock based compensation expenses for such period and non-cash expenses, losses or charges for such period in connection with (A) goodwill and intangibles impairment losses under ASC 350, (B) unrealized losses resulting from mark-to-market accounting in respect of Hedge Agreements and Treasury Transactions, (C) unrealized losses on equity investments and (D) the pension or postretirement plans of the U.S. Borrower and its Subsidiaries; (v) in connection with any Qualifying Acquisition, all non-recurring restructuring costs, facilities relocation costs, acquisition integration costs and fees, including cash severance payments, and non-recurring fees and expenses, in each case incurred during such period in connection with such Qualifying Acquisition and within twelve (12) months of the completion of such Qualifying Acquisition; provided that the amount added back to Consolidated Net Income pursuant to this clause (v) in respect of any such costs, fees, payments and expenses incurred to be paid in cash in connection with all such Qualifying Acquisitions shall not exceed 15% of Consolidated EBITDA (calculated before giving effect to this clause (v) in the aggregate for any period of four Fiscal Quarters of the U.S. Borrower); and (vi) any non-recurring expenses, charges or losses; *minus*

(b) the following (without duplication) to the extent included in calculating such Consolidated Net Income: (i) any non-recurring gains (less all fees and expenses related thereto); and (ii) all non-cash income or gains for such period including, without limitation, gains in connection with (A) unrealized gains resulting from mark-to-market accounting in respect of Hedge Agreements and Treasury Transactions, (B) unrealized gains on equity investments and (C) unrealized gains in connection with the pension or postretirement plans of the U.S. Borrower and its Subsidiaries.

In addition, in the event that the U.S. Borrower or any of its Subsidiaries, during the relevant period, consummated an acquisition or disposition of property involving the payment or receipt of consideration by the U.S. Borrower or any of its Subsidiaries in excess of \$200,000,000, Consolidated EBITDA will be determined giving pro forma effect to such acquisition or disposition as if such acquisition or disposition and any related incurrence or repayment of Indebtedness had occurred on the first day of the relevant period, but shall not take into account any cost savings projected to be realized as a result of such acquisition or disposition.

“Consolidated Net Income” means, for any period, the net income (or loss) of the Group on a consolidated basis for such period taken as a single accounting period determined in conformity with GAAP.

“Consolidated Net Worth” means, as of any date of determination, the consolidated stockholders’ equity of the U.S. Borrower and its Subsidiaries (including all redeemable common stock) calculated on a consolidated basis in accordance with GAAP

“Consolidated Total Assets” means, as of any date of determination, the total assets of the Group, determined in accordance with GAAP, as set forth on the consolidated balance sheet of the U.S. Borrower as of such date (which calculation shall give *pro forma* effect to any acquisition or disposition by any Group Member, in each case involving the payment or receipt by any Group Member of consideration (whether in the form of cash or non-cash consideration) in excess of \$100,000,000 that has occurred since the date of such consolidated balance sheet, as if such acquisition or disposition had occurred on the last day of the fiscal period covered by such balance sheet).

“Consolidated Total Net Debt” means, as at any date of determination, (a) the aggregate stated balance sheet amount of all Indebtedness of the Group (or, if higher, the par value or stated face amount of all such Indebtedness (other than zero-coupon Indebtedness)), determined on a consolidated basis in accordance with GAAP, exclusive of any Contingent Liability in respect of any letter of credit, plus (b) to the extent not included in clause (a), any Indebtedness relating to securitization of receivables generated by the Group (whether or not such Indebtedness is on the balance sheet of the Group), minus (c) Unrestricted Cash of the Group as of such date, in an aggregate amount not to exceed \$350,000,000.

“Contingent Liability” means any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the Indebtedness of any other Person (other than by endorsements of instruments in the course of collection). The amount of any Person’s obligation under any Contingent Liability shall (subject to any limitation with respect thereto) be deemed to be the outstanding principal amount of the debt, obligation or other liability guaranteed thereby.

“Continuing Directors” means individuals who on the Closing Date constituted the Board of Directors of the U.S. Borrower (together with any new directors whose election by such Board

of Directors or whose nomination for election by the stockholders of the U.S. Borrower was approved by a vote of a majority of the directors of the U.S. Borrower then still in office who were either directors on the Closing Date or whose election or nomination for election was previously so approved).

“Contractual Obligation” means, as applied to any Person, any provision of any security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

“Contributing Guarantors” has the meaning set forth in Section 7.02(b).

“Conversion/Continuation Date” means the effective date of a continuation or conversion, as the case may be, as set forth in the applicable Conversion/Continuation Notice.

“Conversion/Continuation Notice” means a Conversion/Continuation Notice substantially in the form of Exhibit A-2.

“CORRA” means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

“Counterpart Agreement” means a Counterpart Agreement substantially in the form of Exhibit I delivered by a Subsidiary Guarantor pursuant to Section 7.01(b).

“Covenant Transaction” has the meaning set forth in Section 1.04(c).

“Credit Date” means the date of a Credit Extension.

“Credit Extension” means the making of a Loan or the issuing of a Letter of Credit.

“Currency Agreement” means any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement, each of which is for the purpose of hedging the foreign currency risk of the Group and not for speculative purposes.

“Current Anniversary Date” has the meaning set forth in Section 2.26(a).

“Daily Compounded CORRA” means, for any day, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by the Administrative Agent in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded CORRA for business loans; provided that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion (in consultation with the Borrower Representative); and provided that if the administrator has not provided or published CORRA and a Benchmark Transition Event with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA. If the Daily Compounded CORRA shall be less than the Floor, the Daily Compounded CORRA shall be deemed to be the Floor for purposes of this Agreement.

“Daily Simple ESTR” means, for any day, (a) ESTR, with one day lookback; *provided* that, if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion (in consultation with the Borrower Representative), plus (b) Applicable ESTR Adjustment. If the Daily Simple ESTR shall be less than the Floor, the Daily Simple ESTR shall be deemed to be the Floor for purposes of this Agreement

“Daily Simple ESTR Loan” means a Swing Line Loan denominated in Euros that bears interest at a rate based on a Daily Simple ESTR.

“Daily Simple RFR” means, for any day (an “RFR Rate Day”), a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Sterling, the greater of (i) (A) SONIA for the day (such day “i”) that is five RFR Business Days prior to (1) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (2) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator’s Website, plus (B) the Applicable SONIA Adjustment and (ii) the Floor and (b) Swiss Francs, the greater of (i) SARON for the day (such day “i”) that is five RFR Business Days prior to (A) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (B) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, as such SARON is published by the SARON Administrator on the SARON Administrator’s Website, and (ii) the Floor. If by 5:00 pm (local time for the applicable RFR) on the second RFR Business Day immediately following any day “i”, the RFR in respect of such day “i” has not been published on the applicable RFR Administrator’s Website and a Benchmark Replacement Date with respect to the applicable Daily Simple RFR has not occurred, then the RFR for such day “i” will be the RFR as published in respect of the first preceding RFR Business Day for which such RFR was published on the RFR Administrator’s Website; *provided* that any RFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Rate Days. Any change in Daily Simple RFR due to a change in the applicable RFR shall be effective from and including the effective date of such change in the RFR without notice to any Borrower.

“Daily Simple RFR Loan” means a Loan that bears interest at a rate based on a Daily Simple RFR.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to the greater of (a) (i) SOFR for the day (such day “i”) that is five U.S. Government Securities Business Days prior to (A) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (B) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website plus (ii) the Applicable SOFR Adjustment and (b) the Floor. If by 5:00 pm (New York City time) on the second (2<sup>nd</sup>) U.S. Government Securities Business Day immediately following any day “i”, the SOFR in respect of such day “i” has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then the SOFR for such day “i” will be the SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator’s Website; *provided* that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrowers.

“Debtor Relief Law” means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, examinership, reorganization or similar debtor relief laws of the United States or other Relevant Jurisdiction from time to time in effect and affecting the rights of creditors generally.

“Default” means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

“Default Rate” has the meaning set forth in Section 2.10.

“Defaulting Lender” means any Lender that has (a) failed to fund any portion of its Revolving Commitment within three Business Days of the date required to be funded by it hereunder, unless, in the case of this clause (a), such Lender notifies the Administrative Agent in writing prior to the applicable required funding date that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) notified the Borrower Representative, the Administrative Agent or any Lender in writing, or has otherwise indicated through a public statement, that it does not intend to comply with its funding obligations hereunder and generally under agreements in which it commits to extend credit, (c) failed, within three Business Days after receipt of a written request from the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Commitments, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, (e) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, custodian, administrator, examiner, liquidator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or (f) become the subject of a Bail-In Action; provided that a Lender shall not qualify as a Defaulting Lender solely as a result of the acquisition or maintenance of an ownership interest in such Lender or its parent company, or of the exercise of control over such Lender or any Person controlling such Lender, by a Governmental Authority or instrumentality thereof; provided that if the Borrower Representative, the Administrative Agent, the applicable Swing Line Lender and the applicable Issuing Bank agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateralization of Letters of Credit and/or Swing Line Loans), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the obligations of a Swing Line Lender and/or an Issuing Bank and the funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a *pro rata* basis by the Lenders in accordance with their Pro Rata Shares (without giving effect to Section 2.22), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change



hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

“Defaulting Revolving Lender” has the meaning set forth in Section 2.22.

“Determination Date” has the meaning set forth in Section 2.26(b).

“Documentation Agents” means BofA Securities, Truist Bank, Bank of China, New York Branch, BNP Paribas, Citizens Bank, N.A., DBS Bank Ltd., HSBC Bank USA, National Association, Standard Chartered Bank, The Bank Of Nova Scotia, and U.S. Bank National Association, together with their permitted successors and assigns in such capacity.

“Dollar Equivalent” means, with respect to an amount denominated in Dollars, such amount, and with respect to an amount denominated in any other Approved Currency, the equivalent in Dollars of such amount determined at the Exchange Rate on the applicable Valuation Date.

“Dollars” or “\$” mean the lawful money of the United States of America.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means any Person other than a natural Person that is (i) a Lender, an Affiliate of any Lender or a Related Fund (any two or more Related Funds being treated as a single Eligible Assignee for all purposes hereof), or (ii) a commercial bank, insurance company, investment or mutual fund, European Credit Management Limited (ECM) programs or other entity that is an “accredited investor” (as defined in Regulation D under the Securities Act) and which extends credit or buys loans in the ordinary course of business; provided, that neither any Loan Party nor any Affiliate thereof, nor any Defaulting Lender, shall be an Eligible Assignee.

“Eligible Lenders” has the meaning set forth in Section 2.26(d).

“Employee Benefit Plan” means any “employee benefit plan” as defined in Section 3(3) of ERISA which is or was sponsored, maintained or contributed to by, or required to be contributed by, the Group or any of their respective ERISA Affiliates, or with respect to which the Group or any of their respective ERISA Affiliates has or would reasonably be expected to have liability, contingent or otherwise, under ERISA.

“Environmental Claim” means any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order, decree or directive (conditional or otherwise) by any Governmental Authority or any other Person, arising (i) pursuant to any Environmental Law, (ii) in connection with any actual or alleged violation of, or liability

pursuant to, any Environmental Law, (iii) in connection with any Hazardous Material, including the presence or Release of, or exposure to, any Hazardous Materials and any abatement, removal, remedial, corrective or other response action related to Hazardous Materials or (iv) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

“Environmental Laws” means any and all current or future foreign or domestic, federal, state or local laws (including any common law), statutes, ordinances, orders, rules, regulations, judgments or any other requirements of Governmental Authorities relating to or imposing liability or standards of conduct with respect to (i) environmental matters, (ii) the generation, use, storage, transportation or disposal of, or exposure to, Hazardous Materials; or (iii) occupational safety and health, industrial hygiene, land use or the protection of human, plant or animal health or welfare, in any manner applicable to any Group Member or any Facility.

“Equity Interests” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder and any successor thereto.

“ERISA Affiliate” means, as applied to any Person, (i) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (ii) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member. Any former ERISA Affiliate of any Group Member shall continue to be considered an ERISA Affiliate of such Group Member within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of such Group Member and with respect to liabilities arising after such period for which such Group Member could be liable under the Internal Revenue Code or ERISA.

“ERISA Event” means (i) a “reportable event” within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30-day notice to the PBGC has been waived by a regulation in effect as of the date hereof); (ii) the failure to meet the minimum funding standard of Section 412 or 430 of the Internal Revenue Code or Section 302 or 303 of ERISA with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA) or the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (iii) a determination by the Pension Plan’s actuary that any Pension Plan is, or is expected to be, in “at risk” status (as defined in Section 430 of the Internal Revenue Code or Section 303 of ERISA); (iv) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (v) a determination under and in accordance with said sections that any Multiemployer Plan is, or is expected to be, in “critical” or “endangered” status under Section 432 of the Internal Revenue Code or Section 305 of ERISA; (vi) the withdrawal by any Group Member or any of its ERISA

Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to any Group Member or any of its Affiliates pursuant to Section 4063 or 4064 of ERISA; (vii) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which is reasonably likely to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (viii) the imposition of liability on any Group Member or any of its ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (ix) the withdrawal of any Group Member or any of its ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan, or the receipt by any Group Member or any of its ERISA Affiliates of notice from any Multiemployer Plan that it is in insolvency pursuant to Section 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (x) the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or Section 303(k) of ERISA or a violation of Section 436 of the Internal Revenue Code with respect to any Pension Plan; (xi) the occurrence of any Foreign Plan Event or (xii) any other event or condition with respect to an Employee Benefit Plan with respect to which any Loan Party is likely to incur liability other than in the ordinary course.

“ESG Amendment” has the meaning assigned to such term in Section 2.28(c).

“ESG Pricing Provisions” has the meaning assigned to such term in Section 2.28(b).

“ESTR” means, with respect to any Business Day, a rate per annum equal to the Euro Short Term Rate for such Business Day published by the ESTR Administrator on the ESTR Administrator’s Website.

“ESTR Administrator” means the European Central Bank (or any successor administrator of the Euro Short Term Rate).

“ESTR Administrator’s Website” means the European Central Bank’s website, currently at <http://www.ecb.europa.eu>, or any successor source for the Euro Short Term Rate identified as such by the ESTR Administrator from time to time.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“EURIBOR Rate” means, with respect to any Term Benchmark Loan denominated in Euros and for any Interest Period, the EURIBOR Screen Rate.

“EURIBOR Rate Loan” means a Loan that bears interest based on the EURIBOR Rate.

“EURIBOR Screen Rate” means the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period. If such page or service ceases to be available, the Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Borrower Representative. If the EURIBOR Screen Rate shall be less than the Floor, the EURIBOR Screen Rate shall be deemed to be the Floor for purposes of this Agreement.

“Euro” or “€” means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in the legislative measures of the European Union for the introduction of, changeover to or operation of the Euro in one or more member states, being in part legislative measures to implement the European and Monetary Union as contemplated in the Treaty on European Union.

“Euro Borrower” has the meaning specified in the preamble hereto.

“Euro Equivalent” means, with respect to an amount denominated in Euros, such amount, and with respect to an amount denominated in any Approved Currency (other than Euros) or Approved Issuing Currency, the equivalent in Euros of such amount determined at the Exchange Rate on the applicable Valuation Date. In making the determination of the Euro Equivalent for purposes of determining the aggregate available Applicable Revolving Sublimit on any Credit Date, the Administrative Agent shall use the Exchange Rate in effect at the date on which the applicable Borrower requests the extension of credit for such Credit Date pursuant to the provisions of this Agreement.

“Event of Default” means any of the conditions or events set forth in Section 8.01.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

“Exchange Rate” means the rate at which any currency (the “Original Currency”) may be exchanged into Dollars, Euros or another currency (the “Exchanged Currency”), as set forth on such date on the relevant Thomson Reuters screen at or about 11:00 a.m. (London, England time) on such date. In the event that such rate does not appear on the Thomson Reuters screen, the “Exchange Rate” with respect to such Original Currency into such Exchanged Currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent (or the Issuing Bank, if applicable) and the Borrower Representative or, in the absence of such agreement, such “Exchange Rate” shall instead be the Administrative Agent’s (or the Issuing Bank’s, if applicable) spot rate of exchange in the interbank market where its foreign currency exchange operations in respect of such Original Currency are then being conducted, at or about 11:00 a.m. (local time), on such date for the purchase of the Exchanged Currency, with such Original Currency for delivery two Business Days later; provided, that, if at the time of any such determination, no such spot rate can reasonably be quoted, the Administrative Agent (or the Issuing Bank, if applicable) may use any reasonable method as it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error.

“Excluded Swap Obligation” means, with respect to any Guarantor, (x) as it relates to all or a portion of the Guaranty of such Guarantor, any Swap Obligation if, and to the extent that, such Swap Obligation (or any Guaranty thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guaranty of such Guarantor becomes effective with respect to such Swap Obligation or (y) as it relates to all or a portion of the grant by such Guarantor of a security interest, any Swap Obligation if, and to the extent that, such Swap Obligation (or such security interest in respect thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the security interest of such

Guarantor becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty or security interest is or becomes illegal.

“Excluded Taxes” means (i) any Tax imposed on the overall net income of a Person (or franchise tax or minimum tax imposed in lieu thereof) by the jurisdiction in which that Person is organized or in which that Person’s principal office (and/or, in the case of a Lender, its applicable lending office) is located or with which that Person has a present or former connection (other than any connection arising solely from the acquisition and holding of any Loan and/or Commitment (including entering into or being a party to this Agreement), the receipt of payments relating thereto, and/or the exercise of rights and remedies under this Agreement or any other Loan Document); (ii) with respect to any Lender to a U.S. Loan (other than a Lender that becomes a Lender pursuant to Section 2.23), any Tax imposed pursuant to the laws of the United States of America or any political subdivision thereof or therein that would apply if any payment were made under any of the Loan Documents to such Lender on the day such Lender becomes a Lender (or designates a new lending office), except to the extent such Lender’s assignor (or such Lender, when it designates a new lending office) was entitled to receive additional amounts pursuant to Section 2.20; (iii) with respect to any Lender, any withholding Tax that is imposed on any payment to such Lender on the day that such Lender becomes a Lender (or designates a new lending office) by any jurisdiction (other than the United States of America or any political subdivision thereof, which shall be governed by clause (ii) hereof), excluding any such withholding Tax imposed on any payment to such Lender as a result of a Person acquiring, or otherwise expressly assuming the obligations of the Other Borrowers pursuant to Section 6.02(b)(ii) and such Person being a Person organized and existing under the laws of a jurisdiction other than the Netherlands or Australia (in the case of a Multicurrency Borrower), or Hong Kong (in the case of a Hong Kong Borrower), except to the extent such Lender’s assignor (or such Lender, when it designates a new lending office) was entitled to receive additional amounts pursuant to Section 2.20; (iv) any Tax that is attributable to a Lender’s failure to comply with Section 2.20(c); (v) any U.S. federal withholding Tax imposed by reason of a Lender’s failure to comply with the requirements of Sections 1471 through 1474 of the Code (as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with)), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code or any legislation or other official guidance or official requirements adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (“FATCA”); or (vi) any Australian Excluded Tax.

“Existing Credit Agreement” means that certain Credit and Guaranty Agreement, dated as of April 29, 2019 (as amended, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof) among the U.S. Borrower, the Euro Borrower, the Initial Hong Kong Borrower, certain financial institutions party thereto and Barclays, as administrative agent.

“Existing Subsidiary Debt” has the meaning set forth in Section 6.03(b).

“Extension Agreement” has the meaning set forth in Section 2.26(a).

“Extension Approval” has the meaning set forth in Section 2.26(c).

“Extension Request” has the meaning set forth in Section 2.26(a).

“Facility” means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by any Group Member or any of its predecessors or Affiliates.

“Fair Share” has the meaning set forth in Section 7.02(b).

“Fair Share Contribution Amount” has the meaning set forth in Section 7.02(b).

“FATCA” has the meaning set forth in the definition of “Excluded Taxes”.

“FDIC” means the Federal Deposit Insurance Corporation and any successor thereto.

“Federal Funds Effective Rate” means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as set forth on the Federal Reserve Bank of New York’s Website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day; provided further that if the applicable rate described above shall be less than the Floor, it shall be deemed to be the Floor for purposes of this Agreement.

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System of the United States.

“Finance Lease” means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is or should be accounted for as a finance lease on the balance sheet of that Person.

“Financial Officer” means the principal financial officer of the U.S. Borrower.

“Fiscal Quarter” means a fiscal quarter of any Fiscal Year.

“Fiscal Year” means the fiscal year of the Group ending on the Sunday closest to February 1 of each calendar year (or, if the fiscal year-end is changed to some other date, such other date).

“Floor” means a rate of interest equal to 0.00%.

“Foreign Currency Equivalent” means, with respect to an amount denominated in Canadian Dollars, Australian Dollars, Hong Kong Dollars or any Other Foreign Currency, such amount, and with respect to an amount denominated in Dollars or Euros, the equivalent in Canadian Dollars, Australian Dollar, Hong Kong Dollars or such Other Foreign Currency of such amount determined at the Exchange Rate on the applicable Valuation Date. In making the determination of the Foreign Currency Equivalent for purposes of determining the aggregate available Applicable Revolving Sublimit on any Credit Date, the Administrative Agent shall use the Exchange Rate in effect at the date on which the applicable Borrower requests the extension of credit for such Credit Date pursuant to the provisions of this Agreement.

“Foreign Plan” means any Employee Benefit Plan (whether or not subject to ERISA), program, policy, arrangement or agreement maintained or contributed to by any Loan Party or any of their respective Subsidiaries with respect to employees employed outside the United States.

“Foreign Plan Event” means, with respect to any Foreign Plan, (a) the existence of unfunded liabilities in excess of the amount permitted under any applicable law, or in excess of the amount that would be permitted absent a waiver from a Governmental Authority, (b) the failure to make the required contributions or payments, under any applicable law, on or before the due date for such contributions or payments, (c) the receipt of a notice from a Governmental Authority relating to the intention to terminate any such Foreign Plan or to appoint a trustee or similar official to administer any such Foreign Plan, or alleging the insolvency of any such Foreign Plan, in each case which is reasonably likely to result, directly or indirectly, in material liability to a Loan Party, (d) the incurrence of any material liability by any Loan Party or any of their respective Subsidiaries under applicable law on account of the complete or partial termination of such Foreign Plan or the complete or partial withdrawal of any participating employer therein, or (e) the occurrence of any transaction that is prohibited under any applicable law and that would reasonably be expected to result in the incurrence of any liability by any Loan Party or any of their respective Subsidiaries, or the imposition on any Loan Party or any of their respective Subsidiaries of any fine, excise tax or penalty resulting from any noncompliance with any applicable law.

“Foreign Subsidiary” means (i) any Subsidiary that is not organized under the laws of the United States, any State thereof or the District of Columbia and (ii) any Subsidiary of a Subsidiary described in clause (i).

“Funding Guarantor” has the meaning set forth in Section 7.02(b).

“GAAP” means, subject to the limitations on the application thereof set forth in Section 1.02, United States generally accepted accounting principles in effect as of the date of determination thereof consistently applied.

“Governmental Acts” means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

“Governmental Authority” means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity, officer or examiner exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the United States, the United States, or a foreign entity or government.

“Governmental Authorization” means any permit, license, authorization, certification, registration, approval, plan, directive, consent order or consent decree of or from any Governmental Authority.

“Group” means, collectively, the U.S. Borrower and its Subsidiaries; provided that, as used in Section 5.08(a) and (b), with respect to the financial statements required to be delivered thereunder, it shall mean the U.S. Borrower and its consolidated Subsidiaries in accordance with GAAP.

“Group Member” means any of the U.S. Borrower or any of its Subsidiaries.

“Group Member Adjusted EBITDA” means, for any period for any Group Member, the amount of Consolidated EBITDA attributable to such Group Member for such period, calculated on an unconsolidated basis and by excluding all intercompany items (provided that, for the purpose of the determination of a Material Company solely as such term is used in Section 8.01(e), Group Member Adjusted EBITDA shall be calculated on a consolidated basis for such Group Member and its Subsidiaries).

“Group Member Assets” means, for any Group Member, as of any date of determination, the total assets of such Group Member, determined in accordance with GAAP, calculated on an unconsolidated basis and by excluding all intercompany items (provided that, for the purpose of the determination of a Material Company solely as such term is used in Section 8.01(e), Group Member Assets shall be calculated on a consolidated basis for such Group Member and its Subsidiaries).

“Guaranteed Obligations” has the meaning set forth in Section 7.01.

“Guaranteed Parties” means the Agents, Lenders, Issuing Banks, the Lender Counterparties and shall include, without limitation, all former Agents, Lenders, Issuing Banks, and Lender Counterparties to the extent that any Obligations owing to such Persons were incurred while such Persons were Agents, Lenders, Issuing Banks, or Lender Counterparties and such Obligations have not been paid or satisfied in full.

“Guarantor” means (i) with respect to the Obligations of each Other Borrower, the U.S. Borrower, (ii) with respect to the Obligations of each Borrower, each Subsidiary Guarantor (if any), and (iii) with respect to all Obligations of any Subsidiary arising under any Hedge Agreement, Cash Management Agreement or Treasury Transaction, the U.S. Borrower. The U.S. Borrower is the only Guarantor as of the Closing Date.

“Guaranty” means the guaranty of each Guarantor set forth in Article VII.

“Hazardous Materials” means any pollutant, contaminant, chemical, waste, material or substance, exposure to which or Release of which is prohibited, limited or regulated by any Governmental Authority or which may or could pose a hazard to human health and safety or to the indoor or outdoor environment, including petroleum, petroleum products, asbestos, urea formaldehyde, radioactive materials, polychlorinated biphenyls and toxic mold.

“Hedge Agreement” means an Interest Rate Agreement, a Commodity Agreement or a Currency Agreement entered into with a Lender Counterparty.

“HIBOR Rate” means, with respect to any Term Benchmark Loan denominated in Hong Kong Dollars and for any Interest Period, the HIBOR Screen Rate.

“HIBOR Rate Loan” means a Loan that bears interest based on the HIBOR Rate.

“HIBOR Screen Rate” means (i) the offered rate which appears on the page of the Thomson Reuters Screen which displays the Hong Kong interbank offered rate administered by the Treasury Markets Association (or any other person which takes over the administration of such page) (such page currently being the HKABHIBOR page) for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Hong Kong Dollars, determined as of approximately 11:00 a.m. (New York City time), two Business Days prior to the commencement of such Interest Period or (ii) in the event the rate referenced in the preceding clause (i) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent to be the offered rate on such



other page or other service which displays such rate for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Hong Kong Dollars, determined as of approximately 11:00 a.m. (New York City time) two Business Days prior to the commencement of such Interest Period; provided that if the HIBOR Screen Rate, determined as provided above, would be less than the Floor, then the HIBOR Screen Rate shall be deemed to be the Floor for all purposes of this Agreement.

“Highest Lawful Rate” means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum non-usurious interest rate than applicable laws now allow.

“Historical Financial Statements” means the (a) audited consolidated financial statements of the U.S. Borrower consisting of balance sheets, income statements and statements of stockholders’ equity and cash flows as of January 30, 2022 and January 31, 2021 and an unqualified audit report relating thereto; and (b) unaudited consolidated financial statements of the U.S. Borrower for most recently ended fiscal quarter (other than the fourth quarter of any fiscal year) ended 45 days prior to the Closing Date, or to the extent that such fiscal quarter is the fourth quarter of a fiscal year, ended 90 days prior to the Closing Date, and related income statements and statements of stockholders’ equity and cash flows.

“Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“Hong Kong Borrowers” means the Initial Hong Kong Borrower and any Subsidiary of the U.S. Borrower, that becomes a Hong Kong Borrower after the Closing Date in accordance with Section 2.25, in each case, until such entity is removed as a Borrower hereunder pursuant to Section 2.25.

“Hong Kong Dollars” means the lawful currency of Hong Kong.

“Hong Kong Revolving Commitment” means the commitment of a Lender to make or otherwise fund any Hong Kong Revolving Loan and “Hong Kong Revolving Commitments” means such Commitments of all Lenders in the aggregate. The amount of each Lender’s Hong Kong Revolving Commitment, if any, is set forth on Schedule 2.02 or in the applicable Assignment Agreement or Joinder Agreement, as applicable, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Hong Kong Revolving Commitments as of the Closing Date is \$50,000,000.

“Hong Kong Revolving Commitment Period” means the period from and including the Closing Date to but excluding the Hong Kong Revolving Commitment Termination Date.

“Hong Kong Revolving Commitment Termination Date” means the earliest to occur of (i) the fifth anniversary of the Closing Date, which date is December 9, 2027, (ii) the date such Hong Kong Revolving Commitments are permanently reduced to zero pursuant to Section 2.13(b) or 2.14 and (iii) the date of the termination of such Hong Kong Revolving Commitments pursuant to Section 8.01; provided, that if any of the Hong Kong Revolving Commitments are extended pursuant to Section 2.26, the Hong Kong Revolving Commitment Termination Date relating to such extended Hong Kong Revolving Commitments will be so extended pursuant to Section 2.26.

“Hong Kong Revolving Exposure” means, with respect to any Lender as of any date of determination, (i) prior to the termination of such Lender’s Hong Kong Revolving Commitments, that Lender’s Hong Kong Revolving Commitment; and (ii) after the termination of such Lender’s Hong Kong Revolving Commitments, the Dollar Equivalent of the aggregate outstanding principal amount of the Hong Kong Revolving Loans of that Lender.

“Hong Kong Revolving Loan” means Loans made by a Lender in respect of its Hong Kong Revolving Commitment to a Hong Kong Borrower pursuant to Section 2.02(b) and/or Section 2.24.

“Increased Amount Date” has the meaning set forth in Section 2.24.

“Increased-Cost Lender” has the meaning set forth in Section 2.23.

“Incremental Revolving Commitments” has the meaning set forth in Section 2.24.

“Incremental Revolving Loan” has the meaning set forth in Section 2.24.

“Incremental Revolving Loan Lender” has the meaning set forth in Section 2.24.

“Incremental Term Loan” has the meaning set forth in Section 2.24.

“Incremental Term Loan Commitments” has the meaning set forth in Section 2.24.

“Incremental Term Loan Exposure” means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Incremental Term Loans of such Lender.

“Incremental Term Loan Lender” has the meaning set forth in Section 2.24.

“Incremental Term Loan Maturity Date” means the date on which Incremental Term Loans of a Series shall become due and payable in full hereunder, as specified in the applicable Joinder Agreement, including by acceleration or otherwise.

“Incremental Term Loan Note” means a promissory note substantially in the form of Exhibit B-4, as it may be amended, restated, supplemented or otherwise modified from time to time.

“Indebtedness” means, as applied to any Person, without duplication, (i) all indebtedness for borrowed money; (ii) that portion of obligations with respect to Finance Leases that is properly classified as a capitalized liability on a balance sheet in conformity with GAAP; (iii) obligations evidenced by bonds, debentures, notes or other similar instruments; (iv) any obligation owed for all or any part of the deferred purchase price of property or services (excluding trade accounts payable and accrued expenses in the ordinary course of business which are not overdue for a period of more than 90 days or, if overdue for more than 90 days, as to which a dispute exists and adequate reserves in conformity with GAAP have been established on the books of such Person and any such obligations incurred under ERISA), which purchase price is (a) due more than six months from the date of incurrence of the obligation in respect thereof or (b) evidenced by a note or similar written instrument in each case to the extent that the same would be required to be shown as a long term liability on a balance sheet prepared in accordance with GAAP (it being understood that the amount of any such obligation shall be calculated in each case, in accordance with GAAP); (v) all indebtedness secured by any Lien on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is nonrecourse to the credit of that Person (provided

that if the recourse to such Person in respect of such indebtedness is limited solely to the property subject to such Lien, the amount of such indebtedness shall be deemed to be the fair market value (as determined in good faith by such Person) of the property subject to such Lien or the amount of such indebtedness if less); (vi) the face amount of any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings; provided such letter of credit is issued by a Person other than the U.S. Borrower and its Subsidiaries; (vii) [reserved], (viii) the net payments that such Person would have to make in the event of any early termination, on the date Indebtedness of such Person is being determined, in respect of any exchange traded or over the counter derivative transaction, including any Hedge Agreement, in each case, whether entered into for hedging or speculative purposes; provided, that in no event shall obligations under any derivative transaction be deemed “Indebtedness” for any purpose under Section 6.04 or for the purpose of calculating the Net Leverage Ratio unless such obligations relate to a derivatives transaction which has been terminated; (ix) the full outstanding balance of trade receivables, notes or other instruments sold with full recourse in a factoring or similar transaction, other than in any such case any thereof sold solely for purposes of collection of delinquent accounts and (x) any Contingent Liability with respect to the foregoing. The Indebtedness of any Person shall include the Indebtedness of any other Person (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such Person, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indemnified Liabilities” means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages), penalties, claims (including Environmental Claims), actions, judgments, suits, costs (including the costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other necessary response action related to the Release or presence of any Hazardous Materials), expenses and disbursements of any kind or nature whatsoever (including any of the foregoing in connection with any investigative, administrative or judicial proceeding or hearing commenced or threatened by or against any Group Member, its Affiliates or any other Person, whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any fees or expenses incurred by Indemnites in enforcing this indemnity), whether direct, indirect, special or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including the Lenders’ agreement to make Credit Extensions, the syndication of the credit facilities provided for herein or the use or intended use of the proceeds thereof, or any enforcement of any of the Loan Documents (including any enforcement of the Guaranty)); (ii) the commitment letter (and any related fee letter) delivered by any Agent or any Lender to the U.S. Borrower with respect to the transactions contemplated by this Agreement; (iii) any Environmental Claim relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, or practice of any Group Member; or (iv) any Loan or the use of proceeds thereof.

“Indemnified Taxes” means any Taxes other than Excluded Taxes.

“Indemnitee” has the meaning set forth in Section 10.03(a).

“Initial Hong Kong Borrower” has the meaning specified in the preamble hereto.

“Installment” has the meaning set forth in Section 2.12(a).

“Installment Date” has the meaning set forth in Section 2.12(a).

“Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under the United States, multinational or foreign laws or otherwise, and the right to sue or otherwise recover for any past, present and future infringement, dilution, misappropriation, or other violation or impairment thereof, including the right to receive all proceeds therefrom, including without limitation license fees, royalties, income, payments, claims, damages and proceeds of suit, now or hereafter due and/or payable with respect thereto.

“Interest Payment Date” means, with respect to:

(i) any Loan that is a Base Rate Loan, any Canadian Prime Rate Loan, any RFR Loan and any Swing Line Loan, each March 31, June 30, September 30 and December 31 of each year, commencing on the first such date to occur after the Closing Date and the final maturity date of such Loan; provided that, with respect to any such RFR Loan, if any such date would be a day other than a Business Day, such date shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such date shall be the next preceding Business Day; and

(ii) any Loan that is a Term Benchmark Loan, the last day of each Interest Period applicable to such Loan and the final maturity date of such Loan; provided, that in the case of each Interest Period of longer than three months, the “Interest Payment Date” shall also include each date that is three months, or an integral multiple thereof, after the commencement of such Interest Period.

“Interest Period” means, in connection with a Term Benchmark Loan, an interest period of one, three or six months, as selected by the applicable Borrower in the applicable Borrowing Notice or Conversion/Continuation Notice, (a) initially, commencing on the Credit Date or Conversion/Continuation Date thereof, as the case may be; and (b) thereafter, commencing on the day on which the immediately preceding Interest Period expires; provided, that (w) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day unless no further Business Day occurs in such month, in which case such Interest Period shall expire on the immediately preceding Business Day; (x) any Interest Period in respect of a Term Benchmark Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clauses (y) and (z), of this definition, end on the last Business Day of a calendar month; (y) no Interest Period with respect to any portion of any Class of Term Loans shall extend beyond such Class’s Term Loan Maturity Date; and (z) no Interest Period with respect to any portion of any Class of Revolving Loans shall extend beyond such Class’s Revolving Commitment Termination Date.

“Interest Rate Agreement” means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement, each of which is for the purpose of hedging the interest rate exposure associated with the operations of the Group and not for speculative purposes.

“Interest Rate Determination Date” means, with respect to any Interest Period, the date that is two Business Days prior to the first day of such Interest Period.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute.

“IRS” means the United States Internal Revenue Service.

“ISP” means, with respect to any standby Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance of such Letter of Credit).

“Issuance Notice” means a notice substantially in the form of Exhibit A-3.

“Issuing Bank” means each of Barclays, Citi, JPMorgan, Bank of America, N.A. and Truist Bank as Issuing Bank hereunder, and any Lender that has notified the Administrative Agent that it has agreed to a request by the Borrower Representative to become an Issuing Bank hereunder with respect to Letters of Credit together with their respective permitted successors and assigns in such capacity. Unless otherwise specified, in respect of any Letters of Credit, “Issuing Bank” shall refer to the applicable Issuing Bank which has issued such Letter of Credit. An Issuing Bank may perform its obligations hereunder through any applicable branch thereof and such branch shall be treated as the applicable Issuing Bank where applicable.

“Japanese Yen” means the lawful currency of Japan.

“Joinder Agreement” means an agreement substantially in the form of Exhibit G.

“JPMorgan” has the meaning specified in the preamble hereto.

“Judgment Currency” has the meaning set forth in Section 10.25.

“Lender” means each financial institution listed on the signature pages hereto as a Lender, and any other Person that becomes a party hereto pursuant to an Assignment Agreement or a Joinder Agreement. Unless the context clearly indicates otherwise, the term “Lenders” shall include the Swing Line Lenders and/or the Issuing Banks.

“Lender Counterparty” means (a) each Person counterparty to a Hedge Agreement, Cash Management Agreement or Treasury Transaction who is (or at the time such Hedge Agreement, Cash Management Agreement or Treasury Transaction was entered into, was) a Lender, an Agent or an Affiliate of any thereof and (b) any Person who is an Agent or a Lender (and any Affiliate thereof) as of the Closing Date but subsequently, whether before or after entering into a Hedge Agreement, Cash Management Agreement or Treasury Transaction, ceases to be an Agent or a Lender, as the case may be.

“Letter of Credit” means any standby letter of credit (or if agreed in accordance with the terms of this Agreement, commercial letters of credit) issued or to be issued by an Issuing Bank for the account of the U.S. Borrower or any of its Subsidiaries pursuant to Section 2.04(a) of this Agreement denominated in Dollars, Australian Dollars, Canadian Dollars, Euros or Other Foreign Currencies.

“Letter of Credit Sublimit” means the lesser of (a) \$50,000,000; provided that (i) to the extent a Letter of Credit is issued in Euros or Other Foreign Currencies, such sublimit shall be €25,000,000, and (ii) to the extent a Letter of Credit is issued in Canadian Dollars, such sublimit shall be CAD \$5,000,000, and (b) the aggregate unused amount of the Multicurrency Revolving Commitments then in effect. The Letter of Credit Sublimit is part of, and not in addition to, the Multicurrency Revolving Commitment.

“Letter of Credit Usage” means, as at any date of determination the Dollar Equivalent of, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become,

available for drawing under all Letters of Credit then outstanding, and (ii) the aggregate amount of all drawings under Letters of Credit honored by an Issuing Bank and not theretofore reimbursed by or on behalf of any Borrower.

“Lien” means any lien, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement having the practical effect of any of the foregoing, but excluding, solely in the case of any assets owned by a Group Member in Australia or any Group Member incorporated in Australia, any “security interest” as defined in section 12(3) of the Australian PPSA which, in any case, does not secure the payment of money or performance of obligations; provided that in no event shall an operating lease or an agreement to sell be deemed to constitute a Lien.

“Loan” means a Term Loan, a Revolving Loan and a Swing Line Loan, which (i) in the case of Loans denominated in Dollars, may be a Base Rate Loan or a Term SOFR Loan, (ii) in the case of Loans denominated in Euros, shall be a EURIBOR Rate Loan or, if such Loans are Swing Line Loans denominated in Euros, shall be a Daily Simple ESTR Loan, (iii) in the case of Loans denominated in Hong Kong Dollars, shall be a HIBOR Rate Loan, (iv) in the case of Loans denominated in Pound Sterling or Swiss Francs, shall be a Daily Simple RFR Loan, (v) in the case of Loans denominated in Japanese Yen, shall be a TIBOR Rate Loan, (vi) in the case of Loans denominated in Australian Dollars, shall be an AUD Rate Loan, and (vii) in the case of Loans denominated in Canadian Dollars, may be a Canadian Prime Rate Loan or a CDO Rate Loan and (viii) in the case of Loans denominated in any other Approved Currency, shall be the applicable Term Benchmark Loan.

“Loan Document” means any of this Agreement, the Notes, if any, each Joinder Agreement, any documents or certificates executed by the Borrowers in favor of any Issuing Bank relating to Letters of Credit and all other documents, instruments or agreements executed and delivered by a Loan Party for the benefit of any Agent, any Issuing Bank or any Lender in connection herewith on or after the Closing Date, as applicable.

“Loan Party” means each Borrower and each Guarantor.

“Margin Stock” has the meaning given in Regulation U of the Board of Governors as in effect from time to time.

“Material Adverse Effect” means any event, development or circumstance that has had or would reasonably be expected to have a material adverse effect on (i) the business, assets, operations or financial condition of the Group (other than any Securitization Subsidiary) taken as a whole; (ii) the ability of the Loan Parties (taken as a whole) to pay the Obligations under the Loan Documents; or (iii) the rights and remedies available to, or conferred upon, any Agent and any Lender or any other Guaranteed Party under any Loan Document in any manner (including the legality, validity, binding effect or enforceability of the Loan Documents against the Loan Parties) that would be prejudicial to the interests of the Guaranteed Parties, taken as a whole.

“Material Company” means (i) any Group Member that is listed in Schedule 1.01(g) or (ii) any Group Member that has (x) Group Member Adjusted EBITDA or (y) Group Member Assets representing, respectively, 5% or more of Consolidated EBITDA or Consolidated Total Assets. For this purpose:

(a) the (i) Group Member Adjusted EBITDA and (ii) Group Member Assets will be determined from its financial statements upon which the latest audited financial statements of the Group have been based;

(b) if a Subsidiary becomes a Group Member after the date on which the latest audited financial statements of the Group have been prepared, the (i) Group Member Adjusted EBITDA or (ii) Group Member Assets of that Subsidiary will be determined from its latest financial statements;

(c) the (i) Consolidated EBITDA and (ii) Consolidated Total Assets will be determined from its latest audited financial statements, adjusted (where appropriate) to take into account *pro forma* adjustments of the type described in the definition of “Consolidated EBITDA” and “Consolidated Total Assets”, as applicable; and

(d) if a Material Company disposes of all or substantially all of its assets to another Group Member, it will immediately cease to be a Material Company and the other Group Member (if it is not already) will immediately become a Material Company.

“Material Indebtedness” means Indebtedness (other than the Loans and Letters of Credit) of any one or more of the Borrowers or any Subsidiary in an individual principal amount (or Net Mark-to-Market Exposure) of \$150,000,000 or more.

“Material Intellectual Property” means any Intellectual Property that is material to the business of any Group Member.

“Moody’s” means Moody’s Investors Service, Inc.

“Multicurrency Borrowers” means the U.S. Borrower, the Australian Borrower, the Euro Borrower and any Subsidiary of the U.S. Borrower that becomes a Multicurrency Borrower after the Closing Date in accordance with Section 2.25, in each case, until such entity is removed as a Borrower hereunder pursuant to Section 2.25.

“Multicurrency Revolving Commitment” means the commitment of a Lender to make or otherwise fund any Multicurrency Revolving Loan and to acquire participations in Letters of Credit and Swing Line Loans hereunder and “Multicurrency Revolving Commitments” means such commitments of all Lenders in the aggregate. The amount of each Lender’s Multicurrency Revolving Commitment, if any, is set forth on Schedule 2.02 or in the applicable Assignment Agreement or Joinder Agreement, as applicable, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Multicurrency Revolving Commitments as of the Closing Date is \$1,150,000,000.

“Multicurrency Revolving Commitment Period” means the period from and including the Closing Date to but excluding the Multicurrency Revolving Commitment Termination Date.

“Multicurrency Revolving Commitment Termination Date” means the earliest to occur of (i) the fifth anniversary of the Closing Date, which date is December 9, 2027, (ii) the date such Multicurrency Revolving Commitments are permanently reduced to zero pursuant to Section 2.13(b) or Section 2.14 and (iii) the date of the termination of such Multicurrency Revolving Commitments pursuant to Section 8.01; provided, that if any of the Multicurrency Revolving Commitments are extended pursuant to Section 2.26, the Multicurrency Revolving Commitment Termination Date relating to such extended Multicurrency Revolving Commitments will be so extended pursuant to Section 2.26.

“Multicurrency Revolving Exposure” means, with respect to any Lender as of any date of determination, (i) prior to the termination of such Lender’s Multicurrency Revolving Commitment, that Lender’s Multicurrency Revolving Commitment; and (ii) after the termination of such Lender’s Multicurrency Revolving Commitment, the sum of (a) the aggregate

outstanding principal amount of the Multicurrency Revolving Loans of that Lender, (b) in the case of an Issuing Bank, the aggregate Letter of Credit Usage in respect of all Letters of Credit issued by such Issuing Bank (net of any participations by other Lenders in such Letters of Credit), (c) the aggregate amount of all participations by that Lender in any outstanding Letters of Credit or any unreimbursed drawing under any Letter of Credit, (d) in the case of a Swing Line Lender, the aggregate outstanding principal amount of all Swing Line Loans (net of any participations therein by other Lenders), and (e) the aggregate amount of all participations by that Lender in any outstanding Swing Line Loans.

“Multicurrency Revolving Lenders” means the Lenders having Multicurrency Revolving Exposure.

“Multicurrency Revolving Loan” means a Revolving Loan made under the Multicurrency Revolving Commitment.

“Multiemployer Plan” means any Employee Benefit Plan which is a “multiemployer plan” as defined in Section 3(37) or Section 4001(a)(3) of ERISA.

“NAIC” means The National Association of Insurance Commissioners, and any successor thereto.

“Net Leverage Ratio” means the ratio as of the last day of any Fiscal Quarter of (i) Consolidated Total Net Debt as of such day to (ii) Consolidated EBITDA for the four-Fiscal-Quarter period ending on such date.

“Net Mark-to-Market Exposure” of a Person means, as of any date of determination, the excess (if any) of all unrealized losses over all unrealized profits of such Person arising from Hedge Agreements or other Indebtedness of the type described in clause (viii) of the definition thereof. As used in this definition, “unrealized losses” means the fair market value of the cost to such Person of replacing such Hedge Agreement or such other Indebtedness as of the date of determination (assuming the Hedge Agreement or such other Indebtedness were to be terminated as of that date), and “unrealized profits” means the fair market value of the gain to such Person of replacing such Hedge Agreement or such other Indebtedness as of the date of determination (assuming such Hedge Agreement or such other Indebtedness were to be terminated as of that date).

“Non-Consenting Lender” has the meaning set forth in Section 2.23.

“Non-Extending Lender” has the meaning set forth in Section 2.26(c).

“Non-U.S. Lender” has the meaning set forth in Section 2.20(c).

“Note” means a Tranche A Euro Term Loan Note, an Incremental Term Loan Note, a Revolving Loan Note or a Swing Line Note.

“Notice” means a Borrowing Notice, an Issuance Notice, or a Conversion/ Continuation Notice.

“Obligations” means all obligations of every nature of each Loan Party (and, in the Borrower Representative’s sole discretion, any obligations of a Subsidiary under Hedge Agreements, Cash Management Agreements and Treasury Transactions), including obligations from time to time owed to Guaranteed Parties, under any Loan Document, Hedge Agreement, Cash Management Agreement or Treasury Transaction whether for principal, interest (including



interest which, but for the filing of a petition in bankruptcy, would have accrued on any Obligation, whether or not a claim is allowed for such interest in the related bankruptcy proceeding), reimbursement of amounts drawn under Letters of Credit, payments for early termination of Hedge Agreements, fees, expenses, indemnification or otherwise; provided, that at no time shall Obligations include any Excluded Swap Obligations.

“Organizational Documents” means, with respect to any Person, all formation, organizational and governing documents, instruments and agreements, including (i) with respect to any corporation, its certificate or articles of incorporation or organization, memorandum of association, articles of association and/or its by-laws, any memorandum of incorporation or other constitutional documents, (ii) with respect to any limited partnership, its certificate of limited partnership and its partnership agreement, (iii) with respect to any general partnership, its partnership agreement (if any) and (iv) with respect to any limited liability company, its certificate of incorporation or formation (and any amendments thereto), certificate of incorporation on change of name (if any), its memorandum and articles of association (if any), its articles of organization (if any), the shareholders’ list (if any) and its limited liability company agreement, business registration certificate and/or operating agreement. In the event any term or condition of this Agreement or any other Loan Document requires any Organizational Document to be certified by a secretary of state or similar governmental official, the reference to any such “Organizational Document” shall only be to a document of a type customarily certified by such governmental official.

“Original Lender” means a Lender who was a Lender under this Agreement on the Closing Date.

“Other Borrowers” means the Borrowers other than the U.S. Borrower.

“Other Foreign Currencies” means Japanese Yen, Pounds Sterling and Swiss Francs, in each case which are readily available in the amount required and freely convertible into Euros and Dollars in the relevant interbank market, or any other currency which is approved in accordance with Section 1.06.

“Other Taxes” means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes or any other excise or property Taxes, charges or similar levies (and interest, fines, penalties and additions related thereto) arising from any payment made hereunder or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, this Agreement or any other Loan Document.

“Parent Entity” has the meaning set forth in the definition of “Change of Control”.

“Participant Register” has the meaning set forth in Section 10.06(g)(iv).

“PATRIOT Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56.

“Payment in Full” or “Paid in Full” means the payment in full of all Obligations (other than obligations under Hedge Agreements, Cash Management Agreements or Treasury Transactions not yet due and payable and contingent obligations not yet due and payable) and cancellation, expiration or Cash Collateralization of all Letters of Credit and termination of all Commitments to lend under this Agreement.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor thereto.

“Pension Plan” means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to Section 412 or Section 430 of the Internal Revenue Code or Title IV or Section 302 or Section 303 of ERISA.

“Periodic Term SOFR Determination Day” has the meaning assigned to such term in the definition of “Term SOFR”.

“Permitted Liens” means:

(a) Liens granted by any Subsidiary of the U.S. Borrower in favor of the U.S. Borrower or any other Subsidiary of the U.S. Borrower;

(b) Liens (other than Liens created or imposed under ERISA) for taxes, assessments or governmental charges or levies not overdue for a period of more than 30 days or Liens for taxes being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;

(c) Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations, retentions of title or documentary credit transactions arising in the ordinary course of business;

(d) Liens (other than Liens created or imposed under ERISA) incurred or deposits made by the U.S. Borrower and its Subsidiaries in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(e) Liens in connection with judgment bonds so long as the enforcement of such Liens is effectively stayed and the claims secured thereby are being contested in good faith by appropriate proceedings and as to which appropriate reserves are being maintained in accordance with generally accepted accounting practices;

(f) zoning restrictions, easements, rights of way and other encumbrances on title to real property that do not render title to the property encumbered thereby unmarketable or materially adversely affect the use of such property for its present purposes;

(g) leases or subleases granted to others not interfering in any material respect with the business of the U.S. Borrower and its Subsidiaries taken as a whole and any interest of title of any lessor under any lease;

(h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(i) normal and customary rights of setoff or pledge upon deposits of cash in favor of banks or other depository institutions and Liens of a collection bank arising under Section 4-210 of the UCC on items in the course of collection;

(j) Liens on any inventory of the U.S. Borrower or any of its Subsidiaries in favor of a vendor of such inventory, arising in the normal course of business upon its sale to the U.S. Borrower or any such Subsidiary;

- (k) Liens in respect of licensing of Intellectual Property in the ordinary course of business;
- (l) protective UCC filings or Australian PPSR registrations with respect to any leased, consigned or bailed personal property;
- (m) Liens on insurance policies and the proceeds thereof securing the financing or payment of premiums with respect thereto in the ordinary course of business, to the extent not exceeding the amount of such premiums;
- (n) Liens incurred in the ordinary course of business on the proceeds of prepaid cards or stored value cards; and
- (o) Liens on cash or cash equivalents that are the proceeds of any Indebtedness issued in escrow or that have been deposited pursuant to discharge, redemption or defeasance provisions under the indenture or similar instrument governing any such Indebtedness.

“Person” means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

“Platform” means IntraLinks, SyndTrak or another relevant website or other information platform through which the Lenders can receive information.

“Pounds Sterling” or “Sterling” means the lawful currency of the United Kingdom.

“Pricing Level Adjustment” means, for purposes of determining the Applicable Margin and the Applicable Revolving Commitment Fee Percentage, (a) if the Public Debt Rating shall fall within a different pricing level than the Net Leverage Ratio, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be based upon the lower pricing level unless such Public Debt Rating and Net Leverage Ratio differ by two or more pricing levels, in which case the applicable pricing level will be deemed to be one pricing level below the higher of such pricing levels, (b) if only one of S&P and Moody’s have in effect a Public Debt Rating, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be determined by reference to the available rating, (c) if neither S&P nor Moody’s shall have in effect a Public Debt Rating, the Public Debt Ratings component (but not, for the avoidance of doubt, the Net Leverage Ratio component) of the applicable margin and the commitment fee shall be set in accordance with pricing level V under the charts set forth in the definition of “Applicable Margin” and “Applicable Revolving Commitment Fee Percentage”, as applicable, (d) if the Public Debt Ratings established by S&P and Moody’s shall fall within different pricing levels, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be based upon the higher rating unless such ratings differ by two or more pricing levels, in which case the applicable pricing level will be deemed to be one pricing level below the higher of such pricing levels, (e) if S&P or Moody’s shall change the basis on which ratings are established, each reference to the Public Debt Rating announced by S&P or Moody’s, as the case may be, shall refer to the then equivalent rating by S&P or Moody’s, as the case may be, and (f) if the Borrowers fail to deliver the financial statements or Compliance Certificate within the time period specified in Section 5.08(a) or (b), as applicable, then, during the period from the date such financial statements or Compliance Certificate were required to have been delivered until delivery, the Net Leverage Ratio component (but not, for the avoidance of doubt, the Public Debt

Ratings component) of the Applicable Margin for the Term Loans and the Revolving Loans shall be set in accordance with pricing level V under the chart set forth under the definition “Applicable Margin” and the Net Leverage Ratio component (but not, for the avoidance of doubt, the Public Debt Ratings component) of the Applicable Revolving Commitment Fee Percentage shall be set in accordance with pricing level V under the chart set forth under the definition “Applicable Revolving Commitment Fee Percentage”, as applicable.

“Prime Rate” has the meaning set forth in the definition of “Base Rate”.

“Principal Office” means, for each of the Administrative Agent, each Swing Line Lender and each Issuing Bank, such Person’s “Principal Office” which, in the case of the Administrative Agent, may include one or more separate offices with respect to Approved Currencies as set forth on Schedule 10.01(a), or such other office or office of a third party or sub-agent, as appropriate, as such Person may from time to time designate in writing to the Borrowers, the Administrative Agent and each Lender.

“Pro Rata Share” means (i) with respect to all payments, computations and other matters relating to the Tranche A Euro Term Loans of any Lender, as the context requires, the percentage obtained by dividing (x) the Tranche A Euro Term Loan Exposure of that Lender by (y) the aggregate Tranche A Euro Term Loan Exposure of all Lenders; (ii) with respect to all payments, computations and other matters relating to the Revolving Commitment or Revolving Loans of any Lender or any Letters of Credit issued or participations purchased therein by any Lender or any participations in any Swing Line Loans purchased by any Lender, as the context requires, the percentage obtained by dividing (x) (1) the Multicurrency Revolving Exposure of that Lender by (2) the aggregate Multicurrency Revolving Exposure of all Lenders, or (y) (1) the Hong Kong Revolving Exposure of that Lender by (2) the aggregate Hong Kong Revolving Exposure of all Lenders; and (iii) with respect to all payments, computations, and other matters relating to Incremental Term Loan Commitments or Incremental Term Loans of a particular Series, the percentage obtained by dividing (x) the Incremental Term Loan Exposure of that Lender with respect to that Series by (y) the aggregate Incremental Term Loan Exposure of all Lenders with respect to that Series. For all other purposes with respect to each Lender, “Pro Rata Share” means the percentage obtained by dividing (i) an amount equal to the sum of the Tranche A Euro Term Loan Exposure, the Revolving Exposure and the Incremental Term Loan Exposure of that Lender, by (ii) an amount equal to the sum of the aggregate Tranche A Euro Term Loan Exposure, the aggregate Revolving Exposure and the aggregate Incremental Term Loan Exposure of all Lenders.

“Protected Person” means each Agent, Arranger, Bookrunner, any other agent or co-agent (if any) designated by the Bookrunners with respect to the credit facilities hereunder, Issuing Bank, Swing Line Lender and Lender and the officers, partners, members, directors, trustees, shareholders, advisors, employees, representatives, attorneys, controlling persons, agents and Affiliates of each Agent, Arranger, Bookrunner, other agent or co-agent (if any) designated by the Bookrunners with respect to the credit facilities hereunder, Issuing Bank, Swing Line Lender and Lender.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Debt Rating” means, as of any date, the public rating that has been most recently announced by S&P and/or Moody’s, as the case may be, with respect to the senior, unsecured, non-credit enhanced, long-term debt of the U.S. Borrower, or if any such rating agency shall have issued more than one such public rating, the lowest such public rating issued by such rating agency.

“Qualified Securitization Financing” means any transaction or series of transactions entered into by a Group Member pursuant to which such Group Member, sells, conveys, contributes, assigns, grants an interest in or otherwise transfers to a Securitization Subsidiary, Securitization Assets (and/or grants a security interest in such Securitization Assets transferred or purported to be transferred to such Securitization Subsidiary), and which Securitization Subsidiary funds the acquisition of such Securitization Assets (i) with cash, (ii) through the issuance to such Group Member of Seller’s Retained Interests or an increase in such Seller’s Retained Interests, and/or (iii) with proceeds from the sale, pledge or collection of Securitization Assets.

“Qualifying Acquisition” shall mean any Subject Acquisition with Acquisition Consideration of at least \$200,000,000.

“Real Estate Assets” means, at any time of determination, any interest (fee or leasehold) then owned by the U.S. Borrower or any of its Subsidiaries in any real property.

“Refunded Swing Line Loans” has the meaning set forth in Section 2.03(b)(iv).

“Register” has the meaning set forth in Section 2.07(b).

“Regulation” has the meaning set forth in Section 4.21.

“Regulation D” means Regulation D of the Board of Governors, as in effect from time to time.

“Regulation U” means Regulation U of the Board of Governors, as in effect from time to time.

“Reimbursement Date” has the meaning set forth in Section 2.04(d).

“Related Fund” means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

“Release” means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

“Relevant Governmental Body” means (a) with respect to a Benchmark Replacement in respect of Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Dollars, the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto, (b) with respect to a Benchmark Replacement in respect of Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, Canadian Dollars, the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto and (c) with respect to a Benchmark Replacement in respect of Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, any Alternative Currency, (1) the central bank for the such Alternative Currency in which such Obligations, interest, fees, commissions or other amounts are denominated, or calculated with respect to, or

any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (2) any working group or committee officially endorsed or convened by (A) the central bank for such Alternative Currency in which such Obligations, interest, fees, commissions or other amounts are denominated, or calculated with respect to, (B) any central bank or other supervisor that is responsible for supervising either (i) such Benchmark Replacement or (ii) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

“Relevant Jurisdiction” means, in relation to a Loan Party: (i) its jurisdiction of organization; (ii) any jurisdiction where its material assets are situated; and (iii) any jurisdiction where it conducts its business.

“Replacement Lender” has the meaning set forth in Section 2.23.

“Required Lenders” means one or more Lenders having or holding Tranche A Euro Term Loan Exposure, Incremental Term Loan Exposure and/or Revolving Exposure and representing more than 50.0% of the sum of (i) the aggregate Tranche A Euro Term Loan Exposure of all Lenders, (ii) the aggregate Revolving Exposure of all Lenders and (iii) the aggregate Incremental Term Loan Exposure of all Lenders.

“Required Revolving Lenders” means one or more Revolving Lenders having or holding Revolving Exposure and representing more than 50.0% of the aggregate Revolving Exposure of all Revolving Lenders.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Revolving Commitment” means a Multicurrency Revolving Commitment and/or a Hong Kong Revolving Commitment, as applicable.

“Revolving Commitment Period” means the Multicurrency Revolving Commitment Period or the Hong Kong Revolving Commitment Period, as applicable.

“Revolving Commitment Termination Date” means the Multicurrency Revolving Commitment Termination Date or the Hong Kong Revolving Commitment Termination Date, as applicable.

“Revolving Exposure” means, with respect to any Lender as of any date of determination, the sum of such Lender’s Multicurrency Revolving Exposure and Hong Kong Revolving Exposure.

“Revolving Lenders” means the Lenders having Revolving Exposure.

“Revolving Loan” means a Multicurrency Revolving Loan and/or a Hong Kong Revolving Loan, as applicable.

“Revolving Loan Note” means a promissory note substantially in the form of Exhibit B-2, as it may be amended, restated, supplemented or otherwise modified from time to time.

“RFR” means, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to (i) Sterling, the rate described in clause (a) of

definition of Daily Simple RFR and (ii) Swiss Francs, the rate described in clause (b) of definition of Daily Simple RFR.

“RFR Administrator” means the SONIA Administrator or the SARON Administrator, as applicable.

“RFR Business Day” means, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London, and (b) Swiss Francs, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in Zurich; provided, that for purposes of notice requirements in Sections 2.03 and 2.08, in each case, such day is also a Business Day.

“RFR Loan” means a Loan that is bearing interest at a rate determined by reference to a Daily Simple RFR.

“RFR Rate Day” has the meaning assigned to such term in the definition of “Daily Simple RFR”.

“S&P” means Standard & Poor’s Financial Services LLC.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the Office of the Superintendent of Financial Institutions, the European Union or His Majesty’s Treasury of the United Kingdom and (b) any Person majority-owned or controlled by any such Person or Persons described in the foregoing clause (a).

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) the European Union or His Majesty’s Treasury of the United Kingdom or (c) the Office of the Superintendent of Financial Institutions.

“SARON” means, with respect to any RFR Business Day, a rate per annum equal to the Swiss Average Rate Overnight for such Business Day published by the SARON Administrator on the SARON Administrator’s Website on the immediately succeeding RFR Business Day.

“SARON Administrator” means the SIX Swiss Exchange AG (or any successor administrator of the Swiss Average Rate Overnight).

“SARON Administrator’s Website” means SIX Swiss Exchange AG’s website, currently at <https://www.six-group.com>, or any successor source for the Swiss Average Rate Overnight identified as such by the SARON Administrator from time to time.

“SEC” means the United States Securities and Exchange Commission and any successor Governmental Authority performing a similar function.

“Securities Act” means the Securities Act of 1933, as amended from time to time, and any successor statute.

“Securitization Assets” means any accounts receivable owed to a Group Member (whether now existing or arising or acquired in the future) arising in the ordinary course of business from the sale of goods or services, all collateral securing such accounts receivable, all contracts and contract rights and all guarantees or other obligations in respect of such accounts receivable, all proceeds of such accounts receivable and other assets (including contract rights) which are of the type customarily transferred or in respect of which security interests are customarily granted in connection with securitizations of accounts receivable and which are sold, conveyed, contributed, assigned, pledged or otherwise transferred by such Group Member to a Securitization Subsidiary.

“Securitization Repurchase Obligation” means any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant with respect to such Securitization Assets, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off set, counterclaim or other dilution of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller, but in each case, not as a result of such receivable being or becoming uncollectible for credit reasons.

“Securitization Subsidiary” means a Wholly-Owned Subsidiary of the U.S. Borrower (or another Person formed for the purposes of engaging in a Qualified Securitization Financing in which any Group Member makes an investment and to which such Group Member transfers, contributes, sells, conveys or grants a security interest in Securitization Assets) that engages in no activities other than in connection with the acquisition and/or financing of Securitization Assets of the Group, all proceeds thereof and all rights (contingent and other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the U.S. Borrower (or a duly authorized committee thereof) or such other Person (as provided below) as a Securitization Subsidiary and (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by any Group Member, other than another Securitization Subsidiary (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates any Group Member, other than another Securitization Subsidiary, in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset (other than Securitization Assets) of any Group Member, other than another Securitization Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings, (b) with which no Group Member, other than another Securitization Subsidiary, has any material contract, agreement, arrangement or understanding other than (i) the applicable receivables purchase agreements and related agreements, in each case, having reasonably customary terms, or (ii) on terms which the U.S. Borrower reasonably believes to be no less favorable to the applicable Group Member than those that might be obtained at the time from Persons that are not Affiliates of the Group and (c) to which no Group Member other than another Securitization Subsidiary, has any obligation to maintain or preserve such entity’s financial condition or cause such entity to achieve certain levels of operating results. Any such designation by the Board of Directors of the U.S. Borrower (or a duly authorized committee thereof) or such other Person shall be evidenced to the Administrative Agent by delivery to the Administrative Agent of a certified copy of the resolution of the Board of Directors of the U.S. Borrower (or a duly authorized committee thereof) or such other Person giving effect to such designation and a certificate executed by an Authorized Officer certifying that such designation complied with the foregoing conditions.

“Seller’s Retained Interests” means the debt or Equity Interests held by any Group Member in a Securitization Subsidiary to which Securitization Assets have been transferred, including any such debt or equity received as consideration for or as a portion of the purchase



price for the Securitization Assets transferred, or any other instrument through which such Group Member has rights to or receives distributions in respect of any residual or excess interest in the Securitization Assets.

“Series” has the meaning set forth in Section 2.24.

“SOFR” means, with respect to any U.S. Government Securities Business Day, a rate per annum equal to the secured overnight financing rate for such U.S. Government Securities Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding U.S. Government Securities Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SOFR Rate Day” has the meaning assigned to such term in the definition of “Daily Simple SOFR”.

“Solvency Certificate” means a Solvency Certificate of the Financial Officer substantially in the form of Exhibit E-2.

“Solvent” means, with respect to the Group on a consolidated basis, that as of the date of determination, (a) the sum of the Group’s debt (including contingent liabilities) does not exceed the present fair saleable value of the Group’s present assets; (b) the Group’s capital is not unreasonably small in relation to its business as of the date of determination; and (c) the Group has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, Indebtedness beyond its ability to pay such Indebtedness as they become due (whether at maturity or otherwise). For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

“SONIA” means, with respect to any RFR Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator’s Website on the immediately succeeding RFR Business Day.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator’s Website” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

“SONIA Loan” means a Loan that bears interest based on SONIA.

“Standard Securitization Undertakings” means representations, warranties, covenants, Securitization Repurchase Obligations and indemnities entered into by any Group Member that are reasonably customary in accounts receivable securitization transactions.

“Subject Acquisition” means any acquisition by the U.S. Borrower and/or any of its Wholly-Owned Subsidiaries of, or any transaction that results in the U.S. Borrower and/or any of its Wholly-Owned Subsidiaries owning, whether by purchase, merger, exclusive inbound license, transfer of rights under copyright or otherwise, all or substantially all of the assets of, all of the Equity Interests of, or a business line or unit or a division of, any Person.

“Subsidiary” means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50.0% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, that in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a “qualifying share” of the former Person shall be deemed to be outstanding; provided, further, that for purposes of Article IV and Article V, no Securitization Subsidiary shall be considered a Subsidiary of the U.S. Borrower; provided, further, that, notwithstanding anything contained herein or otherwise, for purposes of this Agreement and any other Loan Document, the CKI Trust shall not be considered a Subsidiary of the U.S. Borrower; and provided, further, that, unless the context otherwise requires, a Subsidiary shall mean a direct or indirect Subsidiary of the U.S. Borrower.

“Subsidiary Guarantor” means each Subsidiary that has guaranteed the Obligations of the Borrowers pursuant to Section 7.01(b) hereof until such time as such Subsidiary is released from its Guaranty pursuant to Section 7.11 hereof; provided that, in no event shall any of the following Persons be included as a Subsidiary Guarantor:

- (a) a Foreign Subsidiary; and
- (b) a CFC Holdco.

“Sustainability Assurance Provider” is defined in Section 2.28(c) hereof.

“Sustainability Coordinators” means Barclays and (subject to the last sentence of this definition) JPMorgan, in their capacity as sustainability coordinators hereunder which will (i) assist the Borrower Representative in determining the structure, price and other terms and conditions for the sustainability-linked aspects of the Revolving Loans and the Revolving Commitments and (ii) assist the Borrower Representative (together with assistance from the Sustainability Assurance Provider) in preparing Sustainability Targets to be used in connection with the Revolving Loans and the Revolving Commitments. It is hereby agreed that JPMorgan’s agreement to act as a sustainability coordinator shall be subject to execution of a customary engagement letter to be signed among the U.S. Borrower and JPMorgan or its affiliate; provided that, the failure of such engagement letter to be executed and the failure of JPMorgan to become a Sustainability Coordinator shall not impair any rights of the Loan Parties hereunder, including under Section 2.28 hereof.

“Sustainability Targets” is defined in Section 2.28 hereof.

“Swap Obligation” means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“Swing Line Lender” means (a) for Swing Line Loans denominated in Canadian Dollars, The Bank of Nova Scotia, and (b) for Swing Line Loans denominated in Dollars or Euros, Barclays, in each case, in its capacity as a Swing Line Lender hereunder, together with its permitted successors and assigns in such capacity.

“Swing Line Loan” means a Loan made by the applicable Swing Line Lender to a Multicurrency Borrower under the Multicurrency Revolving Commitment pursuant to Section 2.03(a) in Dollars, Canadian Dollars or Euros, subject to Swing Line Sublimit.

“Swing Line Note” means a promissory note substantially in the form of Exhibit B-3, as it may be amended, restated, supplemented or otherwise modified from time to time.

“Swing Line Sublimit” means the lesser of (a)(i) if denominated in Dollars, \$50,000,000, and (ii) if denominated in Canadian Dollars, CAD \$25,000,000, and (iii) if denominated in Euros, €50,000,000 and (b) the aggregate unused amount of Multicurrency Revolving Commitments then in effect.

“Swiss Francs” means the lawful currency of Switzerland.

“Syndication Agent” has the meaning specified in the preamble hereto.

“TARGET Day” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“Tax” means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (and interest, fines, penalties and additions related thereto) of any nature and whatever called, imposed, levied, collected, withheld or assessed by any Governmental Authority.

“Term Benchmark” when used in reference to any Loan or Credit Extension, refers to whether such Loan, or the Loans comprising such Credit Extension, are bearing interest at a rate determined by reference to Term SOFR, the EURIBOR Rate, the TIBOR Rate, the CDO Rate, the AUD Rate, the HIBOR Rate or, with respect to any other currency which is approved in accordance with Section 1.06, such other benchmark rate as is reasonably determined in good faith by the Administrative Agent and the Borrower Representative.

“Term Benchmark Loan” means a Loan that bears interest at a rate based on a Term Benchmark.

“Term CORRA” means, for the applicable corresponding tenor, the forward-looking term rate based on CORRA that has been selected or recommended by the Relevant Governmental Body, and that is published by an authorized benchmark administrator and is displayed on a screen or other information service, as identified or selected by the Administrative Agent in its reasonable discretion at approximately a time and as of a date prior to the commencement of an Interest Period determined by the Administrative Agent in its reasonable discretion in a manner substantially consistent with market practice. If Term CORRA shall be less than the Floor, the Daily Compounded CORRA shall be deemed to be the Floor for purposes of this Agreement.

“Term CORRA Notice” means the notification by the Administrative Agent to the Lenders and the Borrower Representative of the occurrence of a Term CORRA Transition Event.

“Term CORRA Transition Date” means, in the case of a Term CORRA Transition Event, the date that is set forth in the Term CORRA Notice provided to the Lenders and the Borrower Representative, for the replacement of the then-current Benchmark with the Benchmark Replacement described in clause (a) of such definition, which date shall be at least thirty (30) Business Days from the date of the Term CORRA Notice.

“Term CORRA Transition Event” means the determination by the Administrative Agent that (a) Term CORRA has been recommended for use by the Relevant Governmental Body, and is determinable for any Available Tenor, (b) the administration of Term CORRA is administratively feasible for the Administrative Agent and (c) a Benchmark Replacement, other than Term CORRA, has replaced CDO Rate in accordance with paragraph (a) of the Section 2.27.

“Term Loan” means a Tranche A Euro Term Loan and an Incremental Term Loan.

“Term Loan Commitment” means the Tranche A Euro Term Loan Commitment of a Lender, and “Term Loan Commitments” means such Tranche A Euro Term Loan Commitments of all Lenders.

“Term Loan Maturity Date” means the Tranche A Euro Term Loan Maturity Date and the Term Loan Maturity Date of any Series of Incremental Term Loans.

“Term SOFR” means,

(a) for any calculation with respect to a Term SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator, plus the Applicable SOFR Adjustment; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator, plus the Applicable SOFR Adjustment; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“Term SOFR Administrator” means the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Loan” means a Loan that bears interest at a rate based on Term SOFR other than pursuant to clause (z) of the definition of “Base Rate”.

“Term SOFR Reference Rate” means the rate per annum determined by the Administrative Agent (in its reasonable discretion and in a manner consistent with then-prevailing market practice) as the forward-looking term rate based on SOFR.

“Terminated Lender” has the meaning set forth in Section 2.23.

“TIBOR Rate” means, with respect to any Term Benchmark Loan denominated in Japanese Yen and for any Interest Period, the TIBOR Screen Rate two Business Days prior to the commencement of such Interest Period.

“TIBOR Rate Loan” means a Loan that bears interest based on the TIBOR Rate.

“TIBOR Screen Rate” means the Tokyo interbank offered rate administered by the Ippan Shadan Hojin JBA TIBOR Administration (or any other person which takes over the administration of that rate) for the relevant currency and period displayed on page DTIBOR01 of the Thomson Reuters screen (or, in the event such rate does not appear on such Thomson Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate as selected by the Administrative Agent from time to time in its reasonable discretion) as published at approximately 1:00 p.m. Japan time two Business Days prior to the commencement of such Interest Period; provided that if the TIBOR Screen Rate, determined as provided above, would be less than the Floor, then the TIBOR Screen Rate shall be deemed to be the Floor for all purposes of this Agreement.

“Total Utilization of Hong Kong Revolving Commitments” means, as at any date of determination, the Dollar Equivalent of the aggregate principal amount of all outstanding Hong Kong Revolving Loans.

“Total Utilization of Multicurrency Revolving Commitments” means, as at any date of determination, the Dollar Equivalent of the sum of (i) the aggregate principal amount of all outstanding Multicurrency Revolving Loans (other than Multicurrency Revolving Loans made for the purpose of repaying any Refunded Swing Line Loans or reimbursing the applicable Issuing Bank for any amount drawn under any Letter of Credit, but not yet so applied), (ii) the aggregate principal amount of all outstanding Swing Line Loans and (iii) the Letter of Credit Usage.

“Tranche A Euro Term Loan” means a Loan made by a Lender in respect of its Tranche A Euro Term Loan Commitment to the Euro Borrower in Euros on the Closing Date pursuant to Section 2.01(a) or thereafter pursuant to Section 2.24, in each case denominated in Euros. The aggregate principal amount of Tranche A Euro Term Loans as of the Closing Date after giving effect to the making thereof, is €440,625,000.

“Tranche A Euro Term Loan Commitment” means the commitment of a Lender to make or otherwise to fund a Tranche A Euro Term Loan. The amount of each Lender’s Tranche A Euro Term Loan Commitment as of the Closing Date, if any, is set forth on Schedule 2.01(a) or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof.

“Tranche A Euro Term Loan Exposure” means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Tranche A Euro Term Loans of such Lender; provided, that at any time prior to the making of the Tranche A Euro Term Loans, the Tranche A Euro Term Loan Exposure of any Lender shall be equal to such Lender’s Tranche A Euro Term Loan Commitment.

“Tranche A Euro Term Loan Maturity Date” means, the earlier of (i) the fifth anniversary of the Closing Date, which date is December 9, 2027, and (ii) the date on which all Tranche A Euro Term Loans shall become due and payable in full hereunder, whether by acceleration or otherwise.

“Tranche A Euro Term Loan Note” means a promissory note substantially in the form of Exhibit B-1, as it may be amended, restated, supplemented or otherwise modified from time to time.

“Transactions” means the execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents, the borrowing of Loans and other Credit Extensions, the use of the proceeds thereof and the issuance of Letters of Credit hereunder, the repayment or refinancing of Indebtedness under the Existing Credit Agreement, all transactions in connection with or related to the foregoing and the payment of fees, costs and expenses relating to each of the foregoing.

“Treasury Transaction” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and not for speculative purposes.

“Truist Securities” has the meaning specified in the preamble hereto.

“Type of Loan” means (i) with respect to either Term Loans or Revolving Loans, a Base Rate Loan, a Term Benchmark Loan, an RFR Loan or a Canadian Prime Rate Loan and (ii) with respect to Swing Line Loans, a Base Rate Loan, a Canadian Prime Rate Loan or an Daily Simple ESTR Loan.

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

“UK” means the United Kingdom.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unrestricted Cash” means, with respect to any Person, as of any date of determination, cash or cash equivalents of such Person and its Subsidiaries that would not appear as “restricted”, in accordance with GAAP, on a consolidated balance sheet of such Person and its Subsidiaries as of such date.

“U.S.” means the United States of America.

“U.S. Borrower” has the meaning specified in the preamble hereto.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Lender” has the meaning set forth in Section 2.20(c).

“U.S. Loan” means a Revolving Loan denominated in Dollars.

“U.S. Subsidiary” means any Subsidiary other than a Foreign Subsidiary.

“Valuation Date” means (i) the date two Business Days prior to the making, continuing or converting of any Revolving Loan or the date of issuance or continuation of any Letter of Credit and (ii) any other date designated by the Administrative Agent or Issuing Bank.

“Voting Stock” has the meaning set forth in the definition of “Change of Control”.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (ii) the then outstanding principal amount of such Indebtedness.

“Wholly-Owned Subsidiary” means, with respect to any Person, any other Person all of the Equity Interests of which (other than (x) directors’ qualifying shares and (y) shares issued to foreign nationals to the extent required by applicable law) are owned by such Person directly and/or indirectly through other wholly-owned Subsidiaries of such Person.

“Write-Down and Conversion Powers” means (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

**Section 1.02 Accounting Terms.** Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP. Financial statements and other information required to be delivered by the Borrower Representative to Lenders pursuant to Sections 5.08(a) and 5.08(b) shall be prepared in accordance with GAAP as in effect at the time of such preparation (and delivered together with the reconciliation statements provided for thereunder, if applicable). Subject to the foregoing, calculations in connection with the definitions, covenants and other provisions hereof shall utilize accounting principles and policies in material conformity with GAAP; provided, that if a change in GAAP would materially change the calculation of the financial covenants, standards or terms of this Agreement, (i) the Borrower Representative shall provide prompt notice of such change to the Administrative Agent and (ii) the Borrower Representative or the Administrative Agent may request that such calculations continue to be made in accordance with GAAP without giving effect to such change (in which case the Borrower Representative, the Administrative Agent and the Lenders agree to negotiate in good faith to amend the provisions hereof to eliminate the effect of such change in GAAP, but until such amendment is entered into, the calculations shall be made in accordance with GAAP without giving effect to such change).

**Section 1.03 Interpretation, Etc.** Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Article, Section, Schedule or Exhibit shall be to an Article, a Section, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word “include” or “including”, when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The word “will” shall be construed to have the same meaning and effect as the word “shall”; and the words “asset” and “property” shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. The terms lease and license shall include sub-lease and sub-license, as applicable. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Except as otherwise expressly provided herein or therein, any reference in this Agreement or any other Loan Document to any agreement, document or instrument shall mean such agreement, document or instrument as amended, restated, supplemented or otherwise modified from time to time, in each case, in accordance with the express terms of this Agreement or such Loan Document. For all purposes under the Loan Documents, in connection with any division or “plan of division” under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

**Section 1.04 Exchange Rates; Currency Equivalents; Basket Calculations.**

(a) The Administrative Agent or the Issuing Bank, as applicable, shall determine the Exchange Rates as of each Valuation Date to be used for calculating Euro Equivalent, Foreign Currency Equivalent and Dollar Equivalent amounts of Credit Extensions and amounts outstanding hereunder denominated in other Approved Currencies. Such Exchange Rates shall become effective as of such Valuation Date and shall be the Exchange Rates employed in converting any amounts between the applicable currencies until the next Valuation Date to occur. Except for purposes of financial statements delivered by the Borrower Representative hereunder



or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be the Dollar Equivalent of such currency as so determined by the Administrative Agent or the Issuing Bank, as applicable.

(b) Whenever in this Agreement in connection with a borrowing, conversion, continuation or prepayment of a Term Benchmark Loan, RFR Loan or a Canadian Prime Rate Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars or Euros, but such borrowing, Term Benchmark Loan, RFR Loan, Canadian Prime Rate Loan or Letter of Credit is denominated in another Approved Currency, such amount shall be the relevant Foreign Currency Equivalent of such Dollar or Euro amount (rounded to the nearest unit of such other Approved Currency, with 0.5 or a unit being rounded upward), as determined by the Administrative Agent or the Issuing Bank, as the case may be.

(c) Notwithstanding the foregoing, for purposes of determining compliance with Sections 6.01, 6.02, and 6.03, (i) with respect to any amount of (w) cash on deposit, (x) the incurrence of Liens, (y) the conveyance, transfer, lease, or disposition of assets or (z) the incurrence of Indebtedness (each, a “Covenant Transaction”) in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Covenant Transaction is incurred or made, and (ii) with respect to any Covenant Transaction incurred or made in reliance on a provision that makes reference to a percentage of Consolidated Net Worth, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in the amount of Consolidated Net Worth occurring after the time such Covenant Transaction is incurred or made in reliance on such provision.

(d) For purposes of determining compliance with the Net Leverage Ratio, the amount of any Indebtedness denominated in any currency other than Dollars will be converted into Dollars based on the relevant currency exchange rate in effect on the date of the financial statements on which the applicable Consolidated EBITDA is calculated. For purposes of determining compliance with Sections 6.01, 6.02, and 6.03, with respect to the amount of any Covenant Transaction in a currency other than Dollars, such amount (i) if incurred or made in reliance on a fixed Dollar basket, will be converted into Dollars based on the relevant currency exchange rate in effect on the Closing Date, and (ii) if incurred in reliance on a percentage basket, will be converted into Dollars based on the relevant currency exchange rate in effect on the date such Covenant Transaction is incurred or made and such percentage basket will be measured at the time such Covenant Transaction is incurred or made.

(e) For the avoidance of doubt, in the case of a Loan denominated in an Approved Currency other than Dollars, except as expressly provided herein, all interest shall accrue and be payable thereon based on the actual amount outstanding in such Approved Currency (without any translation into the Dollar Equivalent thereof).

(f) If at any time on or following the Closing Date all of the Participating Member States that had adopted the Euro as their lawful currency on or prior to the Closing Date cease to have the Euro as their lawful national currency unit, then the U.S. Borrower, the Administrative Agent, and the Lenders will negotiate in good faith to amend the Loan Documents to (a) follow any generally accepted conventions and market practice with respect to redenomination of obligations originally denominated in Euro, and (b) otherwise appropriately reflect the change in currency.

**Section 1.05 Dutch Terms.** In this Agreement, where it relates to the Euro Borrower or any Loan Party organized under the laws of the Netherlands, a reference to:

(a) a necessary action to authorize where applicable, includes without limitation: any action requires to comply with the Dutch Works Councils Act (*Wet op de ondernemingsraden*), and obtaining an unconditional positive advice or neutral (advies) from the competent works council(s);

(b) gross negligence means *grove schuld*;

(c) willful misconduct means *opzet*;

(d) a dissolution includes a Dutch entity being dissolved (*ontbonden*);

(e) a moratorium includes *surseance van betaling* and granted a moratorium includes *surseance verleend*;

(f) any step or procedure taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under Section 36 of the 1990 Dutch Tax Collection Act (*Invorderingswet 1990*);

(g) an administrative receiver includes a *curator*;

(h) an administrator includes a *bewindvoerder*;

(i) an attachment includes a *beslag*; and

(j) a winding-up, administration or dissolution (and any of those terms) includes a Dutch entity being declared bankrupt (*failliet verklaard*) or dissolved (*ontbonden*).

#### **Section 1.06 Additional Other Foreign Currencies, Approved Issuing Currencies.**

(a) The Borrower Representative may from time to time request that Multicurrency Revolving Loans be made and/or Letters of Credit be issued in a currency other than those specifically listed in the definition of “Approved Currency” or “Other Foreign Currencies”; provided that such requested currency is a lawful currency that is readily transferable and readily convertible into Euros and Dollars in the relevant interbank market. Such request shall be subject to the approval of the Administrative Agent and each of the Multicurrency Revolving Lenders; and in the case of any such request with respect to the issuance of applicable Letters of Credit, such request shall be subject to the approval of the Administrative Agent and the Issuing Banks (any such approved issuing currency with respect to the issuance of Letters of Credit, an “Approved Issuing Currency”).

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m. (New York time), ten (10) Business Days prior to the date of the desired Multicurrency Revolving Loan or the issuance of the applicable Letter of Credit (or such shorter period as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, each Issuing Bank, in its or their sole discretion). In the case of any such request pertaining to Multicurrency Revolving Loans, the Administrative Agent shall promptly notify each Multicurrency Revolving Lender; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify each Issuing Bank thereof. Each such Multicurrency Revolving Lender or each Issuing Bank shall notify the Administrative Agent, not later than 11:00 a.m. (New York time), five (5) Business Days after receipt of such request (or such other time or date as may be agreed by the Administrative Agent in its sole discretion and notified to such Multicurrency Revolving Lenders or Issuing Bank, as applicable), whether it

consents, in its sole discretion, to the making of Multicurrency Revolving Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Multicurrency Revolving Lender or an Issuing Bank, as the case may be, to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Multicurrency Revolving Lender or Issuing Bank, as the case may be, to permit Multicurrency Revolving Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent and all the Multicurrency Revolving Lenders consent to making Multicurrency Revolving Loans in such requested currency, the Administrative Agent shall so notify the Borrower Representative and such currency shall thereupon be deemed for all purposes to be an Other Foreign Currency hereunder for purposes of any Multicurrency Revolving Loan; and if the Administrative Agent and the Issuing Banks consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the Borrower Representative and such currency shall thereupon be deemed for all purposes to be an Other Foreign Currency hereunder for purposes of any Letter of Credit issuances by Issuing Banks, provided that if such currency request is solely with respect to Letters of Credit, such currency shall solely be deemed an Approved Issuing Currency (and not an Other Foreign Currency). If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section 1.06, the Administrative Agent shall promptly so notify the Borrower Representative.

(d) If a currency other than those specifically listed in the definition of “Approved Currencies” or “Other Foreign Currencies” are agreed to by the Administrative Agent, the applicable Lenders and the Issuing Banks pursuant to this Section 1.06 upon request by the Borrower Representative, this Agreement may be amended with the consent of the Administrative Agent, the Borrower Representative and, to the extent relating to Letters of Credit, each Issuing Bank (and without the consent of any Lender) to incorporate the Administrative Agent’s customary operational and agency provisions with respect to such Loans (and any corresponding provisions with respect to Letters of Credit) requested to be denominated in such currencies.

**Section 1.07 Rates.** The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to Base Rate, Canadian Prime Rate, any Term Benchmark, any RFR, Daily Simple SOFR, Daily Simple ESTR or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Base Rate, Canadian Prime Rate, any Term Benchmark, any RFR, Daily Simple SOFR, Daily Simple ESTR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of Base Rate, Canadian Prime Rate, any Term Benchmark, any RFR, Daily Simple SOFR, Daily Simple ESTR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain Base Rate, Canadian Prime Rate, any Term Benchmark, any RFR, Daily Simple SOFR, Daily Simple ESTR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and

whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

## **ARTICLE II. LOANS AND LETTERS OF CREDIT**

### **Section 2.01 Tranche A Euro Term Loans.**

(a) Term Loan Commitments. Subject to the terms and conditions hereof, each Lender severally agrees to make, on the Closing Date a Tranche A Euro Term Loan to the Euro Borrower in Euros and in an amount equal to its Tranche A Euro Term Loan Commitment. The Euro Borrower may make only one borrowing under the Term Loan Commitments, which shall be on the Closing Date. Any amount borrowed under this Section 2.01(a) and subsequently repaid or prepaid may not be reborrowed. Subject to Sections 2.12 and 2.13(a), all amounts owed hereunder with respect to the Tranche A Euro Term Loans shall be paid in full no later than the Tranche A Euro Term Loan Maturity Date. Each Lender's Term Loan Commitment shall terminate immediately and without further action on the Closing Date after giving effect to the funding of such Lender's Tranche A Euro Term Loans on such date.

(b) Borrowing Mechanics for Term Loans on Closing Date. The Euro Borrower shall deliver to the Administrative Agent a fully executed Borrowing Notice no later than 11:00 a.m. (New York City time) at least two Business Days in advance of the Closing Date in the case of the Tranche A Euro Term Loan. Upon receipt of the applicable Borrowing Notice, each Lender shall make its Tranche A Euro Term Loans available to the Administrative Agent not later than 9:00 a.m. (New York City time) on the Closing Date by wire transfer of same day funds in Euros at the Principal Office designated by the Administrative Agent. The Administrative Agent shall make the proceeds of such Tranche A Euro Term Loans available to the Euro Borrower on the Closing Date by causing an amount of same day funds in Euros equal to the proceeds of all such Tranche A Euro Term Loans received by the Administrative Agent from Lenders to be credited to such account as may be designated in writing to the Administrative Agent by the Borrower Representative.

### **Section 2.02 Revolving Loans.**

(a) Multicurrency Revolving Commitments. During the Multicurrency Revolving Commitment Period, subject to the terms and conditions hereof, each Lender severally agrees to make Multicurrency Revolving Loans to any Multicurrency Borrower in an aggregate amount up to but not exceeding such Lender's Multicurrency Revolving Commitment; provided, that after giving effect to the making of any Multicurrency Revolving Loans in no event shall the Total Utilization of Multicurrency Revolving Commitments exceed the Multicurrency Revolving Commitments then in effect. Loans in respect of the Multicurrency Revolving Commitments shall be drawn in (i) Dollars, or (ii) subject to the Applicable Revolving Sublimit for such currency, Euros, Canadian Dollars, Australian Dollars, Yen, Sterling, Swiss Francs or any other Approved Currencies (other than Hong Kong Dollars), as specified in the Borrowing Notice. Amounts borrowed pursuant to this Section 2.02(a) may be repaid and reborrowed during the Multicurrency Revolving Commitment Period. Each Lender's Multicurrency Revolving Commitments shall expire on the Multicurrency Revolving Commitment Termination Date and all Multicurrency Revolving Loans extended with respect to such Multicurrency Revolving Commitments and all other amounts owed hereunder with respect to the Multicurrency Revolving Loans and the Multicurrency Revolving Commitments shall be paid in full no later than such date.

(b) Hong Kong Revolving Commitments. During the Hong Kong Revolving Commitment Period, subject to the terms and conditions hereof, each Lender severally agrees to make Hong Kong Revolving Loans to the Hong Kong Borrowers in an aggregate amount up to but not exceeding such Lender's Hong Kong Revolving Commitment; provided, that after giving effect to the making of any Hong Kong Revolving Loans in no event shall the Total Utilization of Hong Kong Revolving Commitments exceed the Hong Kong Revolving Commitments then in effect. Loans in respect of the Hong Kong Revolving Commitments may be drawn in Dollars or Hong Kong Dollars, as specified in the Borrowing Notice. Amounts borrowed pursuant to this Section 2.02(b) may be repaid and reborrowed during the applicable Revolving Commitment Period. Each Lender's Hong Kong Revolving Commitments shall expire on the Hong Kong Revolving Commitment Termination Date and all Hong Kong Revolving Loans extended with respect to such Hong Kong Revolving Commitments and all other amounts owed hereunder with respect to the Hong Kong Revolving Loans and the Hong Kong Revolving Commitments shall be paid in full no later than such date.

(c) Borrowing Mechanics for Revolving Loans.

(i) Except pursuant to Section 2.04(d), (x) Revolving Loans denominated in Dollars that are Base Rate Loans and in Canadian Dollars that are Canadian Prime Rate Loans shall be made in a minimum amount of \$5,000,000 (or, with regard to Revolving Loans denominated in Canadian Dollars, the applicable Foreign Currency Equivalent) and integral multiples of \$1,000,000 (or, with regard to Revolving Loans denominated in Canadian Dollars, the applicable Foreign Currency Equivalent) in excess of that amount, (y) Revolving Loans denominated in Dollars, Canadian Dollars, Australian Dollars or Hong Kong Dollars that are Term Benchmark Loans shall be in a minimum amount of \$1,000,000 (or, with regard to Revolving Loans denominated in Canadian Dollars, Australian Dollars or Hong Kong Dollars, the applicable Foreign Currency Equivalent) and integral multiples of \$1,000,000 (or, with regard to Loans denominated in Canadian Dollars, Australian Dollars or Hong Kong Dollars, the applicable Foreign Currency Equivalent) in excess of that amount and (z) Revolving Loans denominated in Euros and Other Foreign Currencies shall be in a minimum amount of €1,000,000 (or, with regard to Revolving Loans denominated in Other Foreign Currencies, the applicable Foreign Currency Equivalent) and integral multiples of €1,000,000 (or, with regard to Revolving Loans denominated in Other Foreign Currencies, the applicable Foreign Currency Equivalent) in excess of that amount.

(ii) Whenever a Multicurrency Borrower desires that Lenders make Multicurrency Revolving Loans to it, the Borrower Representative shall deliver to the Administrative Agent a fully executed Borrowing Notice no later than 11:00 a.m. (New York City time) (A) at least three Business Days in advance of the proposed Credit Date in the case of Multicurrency Revolving Loan that is a Term Benchmark Loan denominated in Dollars, Canadian Dollars or Euros, (B) at least one Business Day in advance of the proposed Credit Date in the case of a Multicurrency Revolving Loan that is a Base Rate Loan or a Canadian Prime Rate Loan, (C) at least three Business Days in advance of the proposed Credit Date in the case of a Multicurrency Revolving Loan that is an RFR Loan denominated in Pounds Sterling, (D) at least four Business Days in advance of the proposed Credit Date in the case of a Multicurrency Revolving Loan that is an RFR Loan denominated in Swiss Francs, and (E) at least five Business Days in advance of the proposed Credit Date in the case of Multicurrency Revolving Loans that is a Term Benchmark Loan denominated in Japanese Yen or Australian Dollars. Whenever a Hong Kong Borrower desires that Lenders make Hong Kong Revolving Loans to it, it shall deliver to the Administrative Agent a fully executed Borrowing Notice no later than 11:00 a.m. (New York City time) (x) at least five Business Days in

advance of the proposed Credit Date in the case of a Hong Kong Revolving Loan that is a Term Benchmark Loan denominated in Dollars or Hong Kong Dollars and (y) at least one Business Day in advance of the proposed Credit Date in the case of a Hong Kong Revolving Loan that is a Base Rate Loan denominated in Dollars. Except as otherwise provided herein, a Borrowing Notice for a Revolving Loan that is a Term Benchmark Loan or a RFR Loan shall be irrevocable on and after the related Interest Rate Determination Date, and the applicable Borrower shall be bound to make a borrowing in accordance therewith.

(iii) Notice of receipt of each Borrowing Notice in respect of Revolving Loans, together with the amount of each Lender's Pro Rata Share thereof under the applicable Revolving Commitment, if any, together with the applicable interest rate, shall be provided by the Administrative Agent to each Lender under the applicable Revolving Commitment electronically or by telefacsimile with reasonable promptness, but (provided the Administrative Agent shall have received such notice by 11:00 a.m. (New York City time)) not later than 2:00 p.m. (New York City time) on the same day as the Administrative Agent's receipt of such Notice from the Borrower Representative. Each Lender under the applicable Revolving Commitment shall make the amount of its applicable Revolving Loan available to the Administrative Agent not later than (x) 12:00 p.m. (New York City time) for Revolving Loans denominated in Dollars or Canadian Dollars, or (y) 9:00 a.m. (New York City time) for Revolving Loans denominated in other Approved Currencies, in each case, on the applicable Credit Date by wire transfer of same day funds in the requested Approved Currency, at the Principal Office designated by the Administrative Agent.

(iv) Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of Revolving Loans available to the applicable Borrower on the applicable Credit Date by causing an amount of same day funds in the requested Approved Currency equal to the proceeds of all such Revolving Loans received by the Administrative Agent from Lenders to be credited to the account of the applicable Borrower at the Principal Office designated by the Administrative Agent or such other account as may be designated in writing to the Administrative Agent by the applicable Borrower or the Borrower Representative.

### **Section 2.03 Swing Line Loans.**

#### **(a) Swing Line Loans Commitment.**

From time to time during the Multicurrency Revolving Commitment Period, subject to the terms and conditions hereof, each Swing Line Lender hereby agrees to make Swing Line Loans, in the currency specified in the definition of "Swing Line Lenders", to a Multicurrency Borrower in the aggregate amount up to but not exceeding the applicable Swing Line Sublimit; provided, that after giving effect to the making of any Swing Line Loan, in no event shall the Total Utilization of Multicurrency Revolving Commitments exceed the Multicurrency Revolving Commitments then in effect. Amounts borrowed pursuant to this Section 2.03(a) may be repaid and reborrowed during the Multicurrency Revolving Commitment Period. Each Swing Line Lender's Multicurrency Revolving Commitment shall expire on the Multicurrency Revolving Commitment Termination Date. All Swing Line Loans and all other amounts owed hereunder with respect to the Swing Line Loans shall be paid in full on the earlier of (i) the date which is five days after the incurrence thereof and (ii) the Multicurrency Revolving Commitment Termination Date.

(b) Borrowing Mechanics for Swing Line Loans.

(i) Swing Line Loans shall be made in a minimum amount of (A) if denominated in Dollars, \$500,000 and integral multiples of \$100,000 in excess of that amount; (B) if denominated in Canadian Dollars, CAD \$500,000 and integral multiples of CAD \$100,000 in excess of that amount and (C) if denominated in Euros, €500,000 and integral multiples of €100,000 in excess of that amount.

(ii) Whenever a Multicurrency Borrower desires that a Swing Line Lender make a Swing Line Loan, the Borrower Representative shall deliver to the Administrative Agent and the applicable Swing Line Lender a Borrowing Notice no later than (A) if such Swing Line Loan will be denominated in Dollars, 2:00 p.m. (New York City time), (B) if such Swing Line Loan will be denominated in Canadian Dollars, 1:00 p.m. (New York City time), and (C) if such Swing Line Loan will be denominated in Euros, 11:00 a.m. (London, England time), in each case, on the proposed Credit Date.

(iii) Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the applicable Swing Line Lender shall make the amount of its Swing Line Loan available to the applicable Multicurrency Borrower (specified in the Borrowing Notice) not later than (A) 3:00 p.m. (London, England time) in the case of Swing Line Loan denominated in Euros, and (B) 3:00 p.m. (New York City time) in all other cases, in each case, on the applicable Credit Date by wire transfer of same day funds, in the applicable requested currency, by crediting such amounts to the account of the applicable Multicurrency Borrower specified in the Borrowing Notice or to such other account as may be designated in writing to the Administrative Agent and the applicable Swing Line Lender, by the Borrower Representative.

(iv) With respect to any Swing Line Loans which have not been voluntarily prepaid by the applicable Multicurrency Borrower pursuant to Section 2.13(a) or repaid pursuant to Section 2.03(a), the applicable Swing Line Lender may at any time in its sole and absolute discretion, deliver to the Administrative Agent (with a copy to the applicable Multicurrency Borrower), no later than 11:00 a.m. (New York City time) at least one Business Day (or at least three Business Days in the case of Swing Line Loans denominated in Euros) in advance of the proposed Credit Date, a notice (which shall be deemed to be a Borrowing Notice given by the applicable Multicurrency Borrower) requesting that (x) with regard to any such Swing Line Loan, each Multicurrency Revolving Lender make Multicurrency Revolving Loans that are (A) if such Swing Line Loan is denominated in Dollars, Base Rate Loans, (B) if such Swing Line Loan is denominated in Canadian Dollars, Canadian Prime Rate Loans and (C) if such Swing Line Loan is denominated in Euros, EURIBOR Rate Loans, to the applicable Multicurrency Borrower under such Swing Line Loan on such Credit Date in an amount equal to the amount of such Swing Line Loan (the "Refunded Swing Line Loans") outstanding on the date such notice is given which the applicable Swing Line Lender requests Multicurrency Revolving Lenders to prepay. Anything contained in this Agreement to the contrary notwithstanding, (1) the proceeds of such Multicurrency Revolving Loans made by the Multicurrency Revolving Lenders other than the applicable Swing Line Lender shall be immediately delivered by the Administrative Agent to the applicable Swing Line Lender (and not to the applicable Multicurrency Borrower) and applied to repay a corresponding portion of the applicable Refunded Swing Line Loans and (2) on the day such Multicurrency Revolving Loans are made, the applicable Swing Line Lender's Pro Rata Share of the Refunded Swing Line Loans shall be deemed to be paid with the proceeds of a Multicurrency Revolving Loan made by the applicable Swing Line Lender to the applicable Multicurrency Borrower, and such

portion of the Swing Line Loans deemed to be so paid shall no longer be outstanding as Swing Line Loan and shall no longer be due under the applicable Swing Line Note of the applicable Swing Line Lender but shall instead constitute part of the applicable Swing Line Lender's outstanding Multicurrency Revolving Loans to the applicable Multicurrency Borrower and shall be due under the applicable Multicurrency Revolving Loan Note issued by the applicable Multicurrency Borrower to the applicable Swing Line Lender. If any portion of any such amount paid (or deemed to be paid) to the applicable Swing Line Lender should be recovered by or on behalf of the applicable Multicurrency Borrower from the applicable Swing Line Lender in bankruptcy, by assignment for the benefit of creditors or otherwise, the loss of the amount so recovered shall be ratably shared among all Multicurrency Revolving Lenders in the manner contemplated by Section 2.17. For the avoidance of doubt, each Lender's obligation to fund Multicurrency Revolving Loans pursuant to this clause (iv), shall be subject to Section 2.05(a).

(v) If for any reason Multicurrency Revolving Loans are not made pursuant to Section 2.03(b)(iv) in an amount sufficient to repay any amounts owed to the applicable Swing Line Lender in respect of any outstanding Swing Line Loans on or before the third Business Day after demand for payment thereof by the applicable Swing Line Lender, each Multicurrency Revolving Lender shall be deemed to, and hereby agrees to, have purchased a participation in such outstanding Swing Line Loans in an amount equal to its Pro Rata Share of the applicable unpaid amount together with accrued interest thereon. Upon one Business Day's notice (or three Business Days' notice in the case of Swing Line Loan denominated in Euros) from the applicable Swing Line Lender, each Multicurrency Revolving Lender deemed to have purchased a participation pursuant to the immediately preceding sentence shall deliver to the applicable Swing Line Lender an amount equal to its respective participation in the applicable unpaid amount in same day funds at the Principal Office of such Swing Line Lender. In order to evidence such participation each Multicurrency Revolving Lender agrees to enter into a participation agreement at the request of the applicable Swing Line Lender in form and substance reasonably satisfactory to the applicable Swing Line Lender. In the event any Multicurrency Revolving Lender deemed to have purchased a participation pursuant to the first sentence of this clause (v) fails to make available to the applicable Swing Line Lender the amount of such Multicurrency Revolving Lender's participation as provided in this paragraph, the applicable Swing Line Lender shall be entitled to recover such amount on demand from such Multicurrency Revolving Lender together with interest thereon for three Business Days at the rate customarily used by the applicable Swing Line Lender for the correction of errors among banks and thereafter at the Base Rate, the Canadian Prime Rate or the EURIBOR Rate, as applicable.

(vi) Notwithstanding anything contained herein to the contrary, (1) each Multicurrency Revolving Lender's obligation to make Multicurrency Revolving Loans for the purpose of repaying any Refunded Swing Line Loans pursuant to Section 2.03(b)(iv) and each Multicurrency Revolving Lender's obligation to purchase a participation in any unpaid Swing Line Loans pursuant to the immediately preceding paragraph shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any set-off, counterclaim, recoupment, defense or other right which such Lender may have against the applicable Swing Line Lender, any Loan Party or any other Person for any reason whatsoever; (B) the occurrence or continuation of a Default or Event of Default; (C) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of any Loan Party; (D) any breach of this Agreement or any other Loan Document by any party thereto; or (E) any other circumstance, happening or event whatsoever, whether or not similar to



any of the foregoing; provided, that such obligations of each Multicurrency Revolving Lender are subject to the condition that the applicable Swing Line Lender had not received prior notice from the applicable Multicurrency Borrower or the Required Lenders that any of the conditions under Section 3.02 to the making of the applicable Refunded Swing Line Loans or other unpaid Swing Line Loans were not satisfied at the time such Refunded Swing Line Loans or unpaid Swing Line Loans were made; and (2) no Swing Line Lender shall be obligated to make any Swing Line Loans (A) if it has elected not to do so after the occurrence and during the continuation of a Default or Event of Default, (B) it does not in good faith believe that all conditions under Section 3.02 to the making of such Swing Line Loan have been satisfied or waived by the Required Lenders or (C) at a time when any Lender is a Defaulting Revolving Lender with Multicurrency Revolving Commitments, unless the applicable Swing Line Lender has entered into arrangements satisfactory to it and the applicable Multicurrency Borrower to eliminate the applicable Swing Line Lender's risk with respect to the Defaulting Revolving Lender's participation in such Swing Line Loan, including by the applicable Multicurrency Borrower cash collateralizing such Defaulting Revolving Lender's Pro Rata Share of the outstanding Swing Line Loans.

#### **Section 2.04 Issuance of Letters of Credit and Purchase of Participations Therein.**

(a) Letters of Credit.

During the Multicurrency Revolving Commitment Period, subject to the terms and conditions hereof, each Issuing Bank agrees to issue Letters of Credit for the account of the U.S. Borrower or any Subsidiary thereof (provided that the U.S. Borrower hereby irrevocably agrees to be bound jointly and severally to reimburse the applicable Issuing Bank for amounts drawn on any Letter of Credit issued for the account of any Subsidiary) in the aggregate amount up to but not exceeding the Applicable L/C Sublimit; provided that, (i) each Letter of Credit shall be denominated in Dollars, Canadian Dollars, Euros, Australian Dollars, Other Foreign Currencies or an Approved Issuing Currency, subject to the applicable Letters of Credit Sublimit; (ii) the stated amount of each Letter of Credit shall not be less than (A) if denominated in Dollars, \$2,000, (B) if denominated in Euros, Australian Dollars, Other Foreign Currencies or an Approved Issuing Currency, €1,500 (or the applicable Foreign Currency Equivalent), and (C) if denominated in Canadian Dollars, CAD \$2,000, or, in each case, such lesser amount as is acceptable to the applicable Issuing Bank; (iii) after giving effect to such issuance, in no event shall (A) the Total Utilization of Multicurrency Revolving Commitments exceed the Multicurrency Revolving Commitments then in effect and (B) the face amount of Letters of Credit issued by an Issuing Bank exceed the Applicable L/C Sublimit of such Issuing Bank; (iv) after giving effect to such issuance, in no event shall the Letter of Credit Usage exceed the Letter of Credit Sublimit then in effect; and (v) in no event shall any standby Letter of Credit have an expiration date later than the earlier of (A) five Business Days prior to the Multicurrency Revolving Commitment Termination Date and (B) unless the Issuing Bank otherwise agrees, the date which is one year from the date of issuance of such standby Letter of Credit.

Subject to the foregoing, (i) an Issuing Bank may agree that a standby Letter of Credit shall automatically be extended for one or more successive periods not to exceed one year each; provided that in no event shall a Letter of Credit be extended beyond the date specified in Section 2.04(a)(v)(A); provided further, that no Issuing Bank shall extend any such Letter of Credit if it has received written notice that an Event of Default has occurred and is continuing at the time such Issuing Bank must elect to allow such extension; (ii) if the applicable Issuing Bank and the Administrative Agent each consent

in their sole discretion, the expiration date on any Letter of Credit may extend beyond the date that is five Business Days prior to the Multicurrency Revolving Commitment Termination Date; provided, that if any such Letter of Credit is outstanding or the expiration date is extended to a date after the date that is five Business Days prior to the Multicurrency Revolving Commitment Termination Date, the applicable Multicurrency Borrower shall Cash Collateralize such Letter of Credit on or prior to the date that is five Business Days prior to the Multicurrency Revolving Commitment Termination Date; and (iii) in the event that any Lender is a Defaulting Revolving Lender, the applicable Issuing Bank shall not be required to issue any Letter of Credit under the Multicurrency Revolving Commitment unless such Issuing Bank has entered into arrangements satisfactory to it and the applicable Multicurrency Borrower to eliminate such Issuing Bank's risk with respect to the participation in Letters of Credit of the Defaulting Revolving Lender, including by cash collateralizing such Defaulting Revolving Lender's Pro Rata Share of the applicable Letter of Credit Usage. Notwithstanding the foregoing, no Issuing Bank shall have any obligation to issue commercial Letters of Credit or Bank Guarantees unless separately agreed to by such Issuing Bank and the Borrower Representative.

(b) Notice of Issuance.

Whenever the U.S. Borrower or any Subsidiary thereof desires the issuance of a Letter of Credit, the applicable Multicurrency Borrower shall (x) in the case of standby Letters of Credit, deliver to the Administrative Agent and the applicable Issuing Bank an Issuance Notice (or such other notice as may be agreed by such Issuing Bank) no later than (A) in case of Letter of Credit denominated in Canadian Dollars, 12:00 p.m. (New York City time) at least five Business Days in advance of the proposed date of issuance for Letters of Credit, (B) in case of Letter of Credit denominated in Euros, Australian Dollars, Other Foreign Currencies or an Approved Issuing Currency, 12:00 p.m. (London, England time) at least five Business Days in advance of the proposed date of issuance for Letters of Credit and (C) in case of Letter of Credit denominated in Dollars, 12:00 p.m. (New York City time) at least three Business Days in advance of the proposed date of issuance for Letters of Credit, or, in each case, such shorter period as may be agreed to by the Issuing Bank in any particular instance and (y) deliver to the applicable Issuing Bank a letter of credit application therefor (on the applicable Issuing Bank's standard form) no later than (A) in case of Letter of Credit denominated in Dollars or Canadian Dollars, 12:00 p.m. (New York City time) at least three Business Days in advance of the proposed date of issuance for Letters of Credit, and (B) in case of Letter of Credit denominated in Euros, Australian Dollars, Other Foreign Currencies or an Approved Issuing Currency, 12:00 p.m. (London, England time) at least three Business Days in advance of the proposed date of issuance for Letters of Credit, or, in each case, such shorter period as may be agreed to by the Issuing Bank in any particular instance. It is hereby agreed only a Multicurrency Borrower may be an applicant under a Letter of Credit, even if the Letter of Credit is to be issued for the account of a Subsidiary of the U.S. Borrower, and the letter of credit application will be signed by the applicable Multicurrency Borrower that is the applicant thereunder, the U.S. Borrower, and the Subsidiary (if applicable) for whose account the applicable Letter of Credit is being requested. Upon satisfaction or waiver of the conditions set forth in Section 3.02, the Issuing Bank shall issue the requested Letter of Credit only in accordance with the Issuing Bank's standard operating procedures. Upon the issuance of any Letter of Credit or amendment or modification to a Letter of Credit, the Issuing Bank shall promptly notify the Administrative Agent, and the Administrative Agent shall promptly notify each Multicurrency Revolving Lender, of such issuance, or amendment or modification and the amount of such Multicurrency Revolving Lender's respective participation in such

Letter of Credit pursuant to Section 2.04(e). In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any letter of credit application, the terms and conditions of this Agreement shall control.

(c) Responsibility of the Issuing Bank With Respect to Requests for Drawings and Payments. In determining whether to honor any drawing under any Letter of Credit by the beneficiary thereof, the applicable Issuing Bank shall be responsible only to examine the documents delivered under such Letter of Credit with reasonable care so as to ascertain whether they appear on their face to be in accordance with the terms and conditions of such Letter of Credit. As between each applicable Multicurrency Borrower and the applicable Issuing Bank for a given Letter of Credit issued by such Issuing Bank at the request of such Multicurrency Borrower, such Multicurrency Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit issued by the applicable Issuing Bank by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, the Issuing Bank shall not be responsible for: (i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) failure of the beneficiary of any such Letter of Credit to comply fully with any conditions required in order to draw upon such Letter of Credit; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (viii) any consequences arising from causes beyond the control of the Issuing Bank, including any Governmental Acts; none of the above shall affect or impair, or prevent the vesting of, any of the Issuing Bank's rights or powers hereunder. Without limiting the foregoing and in furtherance thereof, no action taken or omitted by an Issuing Bank under or in connection with the Letters of Credit or any documents and certificates delivered thereunder, if taken or omitted in good faith and in the absence of gross negligence or willful misconduct (as determined by a final, non-appealable judgment of a court of competent jurisdiction), shall give rise to any liability on the part of such Issuing Bank to any Multicurrency Borrower; provided that the foregoing shall not be construed to excuse such Issuing Bank from liability to the Multicurrency Borrowers to the extent of any direct damages suffered by the Multicurrency Borrowers or any of their Subsidiaries that are determined by a final, non-appealable judgment of a court of competent jurisdiction to have been caused by such Issuing Bank's gross negligence or willful misconduct.

(d) Reimbursement by the Multicurrency Borrowers of Amounts Drawn or Paid Under Letters of Credit.

In the event an Issuing Bank has determined to honor a drawing under a Letter of Credit, it shall immediately notify the Borrower Representative and the Multicurrency Borrower that is the applicant in respect of such Letter of Credit (if other than the Borrower Representative) and the Administrative Agent, and the Multicurrency Borrower that is the applicant for such Letter of Credit (the "Multicurrency Borrower Applicant") shall reimburse the applicable Issuing Bank on or before the Business Day immediately following the date on which such notice is received by such Multicurrency Borrower Applicant (the "Reimbursement Date") in an amount in the Approved Currency in which such Letter of Credit was issued and in same day funds equal to the amount of such honored drawing; provided, that anything contained herein

to the contrary notwithstanding, (x) unless the applicable Multicurrency Borrower Applicant shall have notified the Administrative Agent and the applicable Issuing Bank prior to (A) in case of Letters of Credit denominated in Dollars or Canadian Dollars, 10:00 a.m. (New York City time) or (B) in case of Letters of Credit denominated in Euros, Australian Dollars, Other Foreign Currency or Approved Issuing Currency, 10:00 a.m. (London, England time), in each case, on the Reimbursement Date that it intends to reimburse the applicable Issuing Bank for the amount of such honored drawing with funds other than the proceeds of Multicurrency Revolving Loans, such Multicurrency Borrower Applicant shall be deemed to have given a timely Borrowing Notice to the Administrative Agent requesting Multicurrency Revolving Lenders to make Multicurrency Revolving Loans that are (A) if the Letter of Credit is denominated in Dollars, Base Rate Loans, (B) if the Letter of Credit is denominated in Canadian Dollars, Canadian Prime Rate Loans, and (C) if the Letter of Credit is denominated in Euros, Australian Dollars, Other Foreign Currencies or Approved Issuing Currencies, (I) applicable Daily Simple RFR Loan for Letters of Credit denominated in Pounds Sterling or Swiss Francs, or (II) applicable Term Benchmark Loans for Letters of Credit denominated in Euro, Australian Dollars or any Other Foreign Currency (other than Pound Sterling or Swiss Francs) with an Interest Period of one month, in each case, on the Reimbursement Date in an amount in the currency of the applicable Letter of Credit equal to the amount of such honored drawing (provided that, in respect of any honored drawing in an amount less than (A) for Letters of Credit denominated in Dollars or Canadian Dollars, \$250,000 (or the Foreign Currency Equivalent) or (B) for other Letters of Credit, €250,000, the applicable Multicurrency Borrower Applicant shall reimburse the applicable Issuing Bank for such amount in cash and shall not be entitled to reimburse such drawing in accordance with this clause (x)) and (y) subject to satisfaction or waiver of the conditions specified in Section 3.02, (A) Multicurrency Revolving Lenders shall, on the Reimbursement Date for any Letter of Credit, make Revolving Loans that are (I) if the underlying Letter of Credit is denominated in Dollars, Base Rate Loans, (II) if the underlying Letter of Credit is denominated in Canadian Dollars, Canadian Prime Rate Loans, and (III) otherwise, (1) applicable Daily Simple RFR Loan for Letters of Credit denominated in Pounds Sterling or Swiss Francs, or (2) applicable Term Benchmark Loans for Letter of Credit denominated in Euro, Australian Dollars or any Other Foreign Currency (other than Pound Sterling or Swiss Francs), with an Interest Period of one month, in each case, in the amount of such honored drawing the proceeds of which shall be applied directly by the Administrative Agent to reimburse the applicable Issuing Bank for the amount of such honored drawing; provided, further, that if for any reason proceeds of Multicurrency Revolving Loans are not received by the applicable Issuing Bank on the Reimbursement Date in an amount equal to the amount of such honored drawing, the applicable Multicurrency Borrower Applicant shall reimburse the Issuing Bank, on demand, in an amount in same day funds equal to the excess of the amount of such honored drawing over the aggregate amount of such Multicurrency Revolving Loans, if any, which are so received. Notwithstanding the foregoing, with respect to the drawing of any Letter of Credit in an Approved Issuing Currency which is not an Approved Currency, unless the applicable Multicurrency Borrower Applicant has notified such Issuing Bank that it intends to reimburse the Issuing Bank on before the Reimbursement Date (and does so reimburse), the applicable Issuing Bank shall convert the applicable Multicurrency Borrower's obligations under this Section 2.04(d) into an obligation in Euros (which shall be computed by the applicable Issuing Bank based on the Exchange Rate in effect for the date on which such conversion occurs).

Nothing in this Section 2.04(d) shall be deemed to relieve any Multicurrency Revolving Lender from its obligation to make Multicurrency Revolving Loans on the terms and conditions set forth herein, and each Multicurrency Borrower shall retain any and all rights it may have against any such Multicurrency Revolving Lender resulting from the failure of such Multicurrency Revolving Lender to make such Multicurrency Revolving Loans under this Section 2.04(d). For the avoidance of doubt, each Multicurrency Revolving Lender's obligation

to fund Multicurrency Revolving Loans pursuant to this clause (d) shall be subject to Section 2.05(a).

(e) Multicurrency Revolving Lenders' Purchase of Participations in Letters of Credit. Immediately upon the issuance of each Letter of Credit, each Multicurrency Revolving Lender shall be deemed to have purchased, and hereby agrees to irrevocably purchase, from the applicable Issuing Bank a participation in such Letter of Credit and any drawings honored thereunder in an amount equal to such Multicurrency Revolving Lender's Pro Rata Share (with respect to the Multicurrency Revolving Commitments) of the maximum amount which is or at any time may become available to be drawn thereunder. In the event that the applicable Multicurrency Borrower shall fail for any reason to reimburse the applicable Issuing Bank as provided in Section 2.04(d), such Issuing Bank shall promptly notify the Administrative Agent and each Multicurrency Revolving Lender with Multicurrency Revolving Commitment of the unreimbursed amount of such honored drawing and of such Multicurrency Revolving Lender's respective participation therein based on such Lender's Pro Rata Share of the Multicurrency Revolving Commitments. Each Multicurrency Revolving Lender shall make available to the applicable Issuing Bank (with a notice to the Administrative Agent) an amount equal to its respective participation, in same day funds, at the office of the Issuing Bank specified in such notice, not later than (A) in case of Letters of Credit Denominated in Euros, Australian Dollars, Other Foreign Currencies or Approved Issuing Currency, 12:00 p.m. (London, England time) on the first Business Day (under the laws of the jurisdiction in which such office of the Issuing Bank is located) after the date notified by the Issuing Bank, in Euros, Australian Dollars or such Other Foreign Currency, as applicable (and if the such Letter of Credit is in an Approved Issuing Currency which is not an Approved Currency, the applicable Issuing Bank shall convert such obligations into an obligation in Euros (which shall be computed by the applicable Issuing Bank based on the Exchange Rate in effect for the date on which such conversion occurs)) and (B) in all other cases, 12:00 p.m. (New York City time) on the first Business Day (under the laws of the jurisdiction in which such office of the Issuing Bank is located) after the date notified by the Issuing Bank, in the currency of the underlying Letter of Credit. In the event that any Multicurrency Revolving Lender fails to make available to the applicable Issuing Bank on such Business Day the amount of such Multicurrency Revolving Lender's participation in such Letter of Credit as provided in this Section 2.04(e), the applicable Issuing Bank shall be entitled to recover such amount on demand from such Multicurrency Revolving Lender together with interest thereon for three Business Days at the rate customarily used by the Issuing Bank for the correction of errors among banks and thereafter, in respect of Letters of Credit denominated in Dollars, at the Base Rate, in respect of Letters of Credit denominated in Canadian Dollars, at the Canadian Prime Rate, and in respect of Letters of Credit denominated in Euros, Australian Dollars, Other Foreign Currency or Approved Issuing Currency, at a rate per annum equal to (A) the rate applicable to Daily Simple RFR Loan in the case of Letters of Credit denominated in Pound Sterling or Swiss Francs (B) the rate applicable to Term Benchmark Loans in the case of Letters of Credit denominated in Euros, Australian Dollars or Other Foreign Currency (other than Pound Sterling or Swiss Francs) with an Interest Period of one month. In the event the applicable Issuing Bank shall have been reimbursed by other Multicurrency Revolving Lenders pursuant to this Section 2.04(e) for all or any portion of any drawing honored by the Issuing Bank under a Letter of Credit, the Issuing Bank shall distribute to each Multicurrency Revolving Lender which has paid all amounts payable by it under this Section 2.04(e) with respect to such honored drawing such Multicurrency Revolving Lender's Pro Rata Share (with respect to the Multicurrency Revolving Commitments) of all payments subsequently received by the applicable Issuing Bank from the applicable Multicurrency Borrower in reimbursement of such honored drawing when such payments are received, and notify the Administrative Agent about such payments to the Multicurrency Revolving Lenders. Any such distribution shall be made to a Multicurrency Revolving Lender at its primary address set forth below its name on Schedule 10.01(a) or at such other address as such Multicurrency Revolving Lender may request.

(f) Obligations Absolute. The obligation of (i) the U.S. Borrower, and, the applicable Multicurrency Borrower Applicant to reimburse each applicable Issuing Bank for drawings honored under the Letters of Credit in respect of which such Multicurrency Borrower Applicant was the applicant and issued by such Issuing Bank and to repay any Multicurrency Revolving Loans made to it by Multicurrency Revolving Lenders pursuant to Section 2.04(d), and (ii) the Multicurrency Revolving Lenders under Section 2.04(e), in each case shall be absolute, unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances including any of the following circumstances: (A) any lack of validity or enforceability of any Letter of Credit; (B) the existence of any claim, set-off, defense or other right which any Multicurrency Borrower or any Lender may have at any time against a beneficiary or any transferee of any Letter of Credit (or any Persons for whom any such transferee may be acting), Issuing Bank, Lender or any other Person or, in the case of a Lender, against any Multicurrency Borrower, whether in connection herewith, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between any Multicurrency Borrower or one of its Subsidiaries and the beneficiary for which any Letter of Credit was procured); (C) any draft or other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (D) payment by the applicable Issuing Bank under any Letter of Credit against presentation of a draft or other document which does not substantially comply with the terms of such Letter of Credit; (E) any adverse change in the business, general affairs, assets, liabilities, operations, management, condition (financial or otherwise), stockholders' equity, results of operations or value of any Loan Party; (F) any breach hereof or any other Loan Document by any party thereto; (G) the fact that an Event of Default or a Default shall have occurred and be continuing; or (H) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; provided that in each case payment by the Issuing Bank under the applicable Letter of Credit shall not have been determined by a final, non-appealable judgment of a court of competent jurisdiction to have constituted gross negligence, bad faith or willful misconduct of the Issuing Bank under the circumstances in question.

(g) Indemnification. Without duplication of any obligation of the Multicurrency Borrowers under Section 10.02 or 10.03, in addition to amounts payable as provided herein, each Multicurrency Borrower hereby agrees to protect, indemnify, pay and save harmless the Issuing Bank from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of counsel) which any Issuing Bank may incur or be subject to as a consequence, direct or indirect, of (i) the issuance of any Letter of Credit by such Issuing Bank for the account of such Multicurrency Borrower, other than as a result of (1) the gross negligence, bad faith or willful misconduct of the Issuing Bank or (2) the dishonor by the Issuing Bank of a demand for payment made in compliance with the provisions hereunder or under the Letter of Credit, in each case, as determined by a final, non-appealable judgment of court of competent jurisdiction, or (ii) the failure of such Issuing Bank to honor a drawing under any such Letter of Credit as a result of any Governmental Act.

(h) Resignation and Removal of Issuing Bank. An Issuing Bank may resign as Issuing Bank upon 60 days (or, if such Issuing Bank is not a Multicurrency Revolving Lender, 45 days) prior written notice to the Administrative Agent, the Multicurrency Revolving Lenders and the Borrower Representative. An Issuing Bank may be replaced at any time by written agreement among the Borrower Representative, the Administrative Agent, the replaced Issuing Bank (provided that no consent of the replaced Issuing Bank will be required if the replaced Issuing Bank has no Letters of Credit or reimbursement Obligations with respect thereto outstanding) and the successor Issuing Bank. The Administrative Agent shall notify the Multicurrency Revolving Lenders of any such replacement of such Issuing Bank. At the time any such replacement or resignation shall become effective, the applicable Multicurrency Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank. From

and after the effective date of any such replacement or resignation, (i) any successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term “Issuing Bank” shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement or resignation of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto to the extent that Letters of Credit issued by it remain outstanding and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement or resignation, but shall not be required to issue additional Letters of Credit or to renew existing Letters of Credit. Notwithstanding anything to the contrary herein, in no event may the Applicable L/C Sublimit of any Issuing Bank be increased under this Agreement without the consent of such Issuing Bank.

(i) Applicability of ISP. Unless otherwise expressly agreed by the applicable Issuing Bank and the applicable Multicurrency Borrower when a Letter of Credit is issued the rules of the ISP shall apply to each standby Letter of Credit.

(j) Reporting. Not later than the third Business Day following the last day of each month (or at such other intervals as the Administrative Agent and the applicable Issuing Bank shall agree), each Issuing Bank shall provide to the Administrative Agent a schedule of the Letters of Credit issued by it, in form and substance reasonably satisfactory to the Administrative Agent, showing the date of issuance of each Letter of Credit, the account party, the original face amount (if any), the expiration date, and the reference number of any Letter of Credit outstanding at any time during such month, and showing the aggregate amount (if any) payable by the applicable Multicurrency Borrower to such Issuing Bank during such month; provided that failure to provide such schedule by an Issuing Bank shall not affect rights of such Issuing Bank under this Agreement.

(k) For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the International Standby Practices (ISP98), such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided that with respect to any Letter of Credit that, by its terms or the terms of any document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

## **Section 2.05 Pro Rata Shares; Availability of Funds; Affiliates.**

(a) Pro Rata Shares. All Loans shall be made, and all participations purchased, by Lenders simultaneously and proportionately to their respective Pro Rata Shares of the applicable Class of Loans, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender’s obligation to make a Loan requested hereunder or purchase a participation required hereby nor shall any Term Loan Commitments or any Revolving Commitments of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender’s obligation to make a Loan requested hereunder or purchase a participation required hereby.

(b) Availability of Funds. Unless the Administrative Agent shall have been notified by any Lender prior to the applicable Credit Date that such Lender does not intend to make available to the Administrative Agent the amount of such Lender’s Loan requested on such

Credit Date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such Credit Date and the Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to the Borrowers a corresponding amount on such Credit Date; *provided* that the Swing Line Loans will be made available by the applicable Swing Line Lender to the applicable Multicurrency Borrower directly. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest thereon, for each day from such Credit Date until the date such amount is paid to the Administrative Agent, at the customary rate set by the Administrative Agent for the correction of errors among banks for three Business Days and thereafter, if such Loan is in Dollars, at the Base Rate, if such Loan is in Canadian Dollars, at the Canadian Prime Rate, and if such Loan is in other Approved Currencies, at the rate certified by the Administrative Agent to be its cost of funds (from any source which it may reasonably select). If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrower Representative and the applicable Borrower shall immediately pay such corresponding amount to the Administrative Agent together with interest thereon, for each day from such Credit Date until the date such amount is paid to the Administrative Agent at the Base Rate if such Loan is in Dollars, at the Canadian Prime Rate if such Loan is in Canadian Dollars, and at the rate certified by the Administrative Agent to be its cost of funds (from any source which it may reasonably select) if such Loan is in other Approved Currencies. Nothing in this Section 2.05(b) shall be deemed to relieve any Lender from its obligation to fulfill its Term Loan Commitments and Revolving Commitments hereunder or to prejudice any rights that the Borrowers may have against any Lender as a result of any default by such Lender hereunder.

(c) Affiliates. Each Lender may, at its option, make any Loan available to a Borrower by causing any foreign or domestic branch or Affiliate of such Lender to make such Loan; provided that (i) any exercise of such option shall not affect the obligation of the applicable Borrower to repay such Loan in accordance with the terms of this Agreement and (ii) any Lender that exercises such option shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than such Lender would have been entitled to receive had such option not been exercised.

**Section 2.06 Use of Proceeds.** The proceeds of the Term Loans on the Closing Date will be used by the Euro Borrower to repay the Indebtedness under the Existing Credit Agreement and to otherwise consummate the Transactions. The proceeds of the Revolving Loans, Swing Line Loans, and Letters of Credit shall be applied by the applicable Borrower for working capital or other general corporate purposes of the U.S. Borrower or any of its Subsidiaries. The proceeds of the Incremental Term Loans shall be applied by the applicable Borrower for working capital or other general corporate purposes of the U.S. Borrower and its Subsidiaries. No portion of the proceeds of any Credit Extension shall be used in any manner that causes or might cause such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors or any other regulation thereof or to violate the Exchange Act.

#### **Section 2.07 Evidence of Debt; Register; Notes.**

(a) Lenders' Evidence of Debt. Each Lender shall maintain on its internal records an account or accounts evidencing the Obligations of each Borrower to such Lender, including the amounts of the Loans made by it and each repayment and prepayment in respect thereof.

(b) Register. The Administrative Agent (or its agent or sub-agent appointed by it) acting for this purpose a non-fiduciary agent of the Borrowers shall maintain at its Principal



Office a register for the recordation of the names and addresses of Lenders and the Revolving Commitment and Loans of each Lender from time to time (the “Register”). The Register shall be available for inspection by the Borrower Representative at any reasonable time and from time to time upon reasonable prior notice and upon request (which may not be made more than once per month) the Administrative Agent shall provide a copy of the information in the Register to the applicable Borrower. The Administrative Agent shall record, or shall cause to be recorded, in the Register the Revolving Commitments and the Loans in accordance with the provisions of Section 10.06, and each repayment or prepayment in respect of the principal amount of the Loans, and any such recordation shall be conclusive and binding on each Borrower and each Lender, absent manifest error. Each Borrower hereby designates the Administrative Agent to serve as such applicable Borrower’s agent solely for purposes of maintaining the Register as provided in this Section 2.07, and each Borrower hereby agrees that, to the extent the Administrative Agent serves in such capacity, the Administrative Agent and its officers, directors, employees, agents, sub-agents and Affiliates shall constitute “Indemnitees.”

(c) Notes. If so requested by any Lender by written notice to the Borrower Representative (with a copy to the Administrative Agent) at least five Business Days prior to the Closing Date, or at any time thereafter, each applicable Borrower shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to Section 10.06) on the Closing Date (or, if such notice is delivered after the Closing Date, promptly after such Borrower’s receipt of such notice) a Note or Notes to evidence such Lender’s Term Loans, Revolving Loans or Swing Line Loans, as the case may be.

## **Section 2.08 Interest on Loans.**

(a) Except as otherwise set forth herein, each Class of Loans shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

(i) in the case of Revolving Loans denominated in Dollars or Canadian Dollars:

(A) if a Base Rate Loan, at the Base Rate plus the Applicable Margin;

(B) if a Term Benchmark Loan, at the applicable Term Benchmark plus the Applicable Margin; or

(C) if a Canadian Prime Rate Loan, at the Canadian Prime Rate plus the Applicable Margin;

(ii) in the case of Tranche A Euro Term Loans, at the applicable Term Benchmark plus the Applicable Margin;

(iii) in the case of Revolving Loans denominated in Euros, Australian Dollars, Hong Kong Dollars, Japanese Yen, or any other Approved Currencies (other than Pounds Sterling, Swiss Francs, Dollars or Canadian Dollars), at the applicable Term Benchmark plus the Applicable Margin;

(iv) in the case of Revolving Loans denominated in Pounds Sterling or Swiss Francs, at the applicable Daily Simple RFR plus the Applicable Margin;

(v) in the case of Swing Line Loans, at the Base Rate, the Canadian Prime Rate or the Daily Simple ESTR, as applicable, plus the Applicable Margin.

(b) The Type of Loan (except a Swing Line Loan, which can be made and maintained as a Base Rate Loan, Canadian Prime Rate Loan or Daily Simple ESTR Loan only), and, in the case of a Term Benchmark Loan, the Interest Period with respect to such Term Benchmark Loan shall be selected by the applicable Borrower or the Borrower Representative on behalf of such Borrower, as applicable, and notified to the Administrative Agent and Lenders pursuant to the applicable Borrowing Notice or Conversion/Continuation Notice, as the case may be. If on any day a Loan is outstanding with respect to which a Borrowing Notice or Conversion/Continuation Notice has not been delivered to the Administrative Agent in accordance with the terms hereof specifying the applicable basis for determining the rate of interest, then for that day such Loan, if a Term Benchmark Loan denominated in Dollars or Canadian Dollars, shall be a Base Rate Loan or a Canadian Prime Rate Loan, as applicable, and, if a Term Benchmark Loan denominated in any other Approved Currency, shall be a Term Benchmark Loan having an Interest Period of one month.

(c) In connection with Term Benchmark Loans there shall be no more than six Interest Periods outstanding at any time in respect of the Tranche A Euro Term Loans, no more than 10 Interest Periods outstanding at any time in respect of the Multicurrency Revolving Loans, and no more than five Interest Periods outstanding at any time in respect of the Hong Kong Revolving Loans. In the event the Borrower Representative fails to specify between a Base Rate Loan or a Term Benchmark Loan in the applicable Borrowing Notice or Conversion/Continuation Notice for any Loan denominated in Dollars, such Loan (if outstanding as a Term Benchmark Loan) shall be automatically converted into a Base Rate Loan on the last day of the then-current Interest Period for such Loan (or if outstanding as a Base Rate Loan shall remain as, or (if not then outstanding) shall be made as, a Base Rate Loan). In the event the Borrower Representative fails to specify an Interest Period for any Term Benchmark Loan in the applicable Borrowing Notice or Conversion/Continuation Notice, such Borrower shall be deemed to have selected an Interest Period of one month. As soon as practicable after 11:00 a.m. (New York City time) on each Interest Rate Determination Date, the Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the Term Benchmark Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower Representative and each Lender. In the event that the Borrower Representative fails to specify between a Canadian Prime Rate Loan and a Term Benchmark Loan in the applicable Borrowing Notice or Conversion/Continuation Notice for any Loan denominated in Canadian Dollars, such Loan (if outstanding as a Term Benchmark Loan) shall be automatically converted into a Canadian Prime Rate Loan on the last day of the then-current Interest Period for such Loan (or if outstanding as a Canadian Prime Rate Loan shall remain as, or (if not then outstanding) shall be made as, a Canadian Prime Rate Loan).

(d) Interest payable pursuant to Section 2.08(a) shall be computed (i) in the case of Base Rate Loans and Canadian Prime Rate Loans, on the basis of a 365-day or 366-day year, as the case may be and (ii) (A) in the case of RFR Loans denominated in Pounds Sterling or Term Benchmark Loans denominated in Canadian Dollars or Hong Kong Dollars, on the basis of a 365-day or 366-day year, as the case may be and (B) in the case of RFR Loans denominated in Swiss Francs and Term Benchmark Loans denominated in Japanese Yen, Australian Dollars and other Approved Currencies, on the basis of a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Loan, the date of the making of such Loan or the first day of an Interest Period applicable to such Loan or, with respect to a Term Loan, the last Interest Payment Date with respect to such Term Loan or, with

respect to a Base Rate Loan or Canadian Prime Rate Loan being converted from a Term Benchmark Loan, the date of conversion of such Term Benchmark Loan to such Base Rate Loan or Canadian Prime Rate Loan, as the case may be, shall be included, and the date of payment of such Loan or the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan or Canadian Prime Rate Loan being converted to a Term Benchmark Loan, the date of conversion of such Base Rate Loan or Canadian Prime Rate Loan to such Term Benchmark Loan, as the case may be, shall be excluded; provided, that if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

(e) Except as otherwise set forth herein, interest on each Loan shall accrue on a daily basis and shall be payable in arrears (i) on each Interest Payment Date with respect to interest accrued on and to each such payment date; (ii) upon any prepayment of such Loan, whether voluntary or mandatory, to the extent accrued on the amount being prepaid; provided, that with respect to any voluntary prepayment of a Base Rate Loan and a Canadian Prime Rate Loan, accrued interest shall instead be payable on the applicable Interest Payment Date and (iii) at maturity of such Loan, including final maturity of such Loan.

(f) The applicable Multicurrency Borrower agrees to pay to the Issuing Bank, with respect to drawings honored under a Letter of Credit, interest on the amount paid by the Issuing Bank in respect of each such honored drawing from the date such drawing is honored to but excluding the date such amount is reimbursed by or on behalf of the applicable Multicurrency Borrower at a rate equal to (i) for the period from the date such drawing is honored to but excluding the applicable Reimbursement Date, the rate of interest otherwise payable hereunder with respect to Multicurrency Revolving Loans that are Base Rate Loans (or if such Letter of Credit is denominated in Canadian Dollars, that are Canadian Prime Rate Loans, if such Letters of Credit is denominated in Pound Sterling or Swiss Francs, that are RFR Loans, or if such Letter of Credit is denominated in Euros, Australian Dollars, Other Foreign Currencies or Approved Issuing Currency, that are applicable Term Benchmark Loans with an Interest Period of one month), and (ii) thereafter, a rate which is 2.00% *per annum* in excess of the rate of interest otherwise payable hereunder with respect to such Multicurrency Revolving Loans.

(g) Interest payable pursuant to Section 2.08(f) shall be computed on the basis of a 365/366-day year for the actual number of days elapsed in the period during which it accrues, and shall be payable on demand or, if no demand is made, on the date on which the related drawing under a Letter of Credit is reimbursed in full. Promptly upon receipt by the Issuing Bank of any payment of interest pursuant to Section 2.08(f), the Issuing Bank shall distribute to each Lender, out of the interest received by the Issuing Bank in respect of the period from the date such drawing is honored to but excluding the date on which the Issuing Bank is reimbursed for the amount of such drawing (including any such reimbursement out of the proceeds of any Multicurrency Revolving Loans), the amount that such Lender would have been entitled to receive in respect of the letter of credit fee that would have been payable in respect of such Letter of Credit for such period if no drawing had been honored under such Letter of Credit. In the event the Issuing Bank shall have been reimbursed by Lenders for all or any portion of such honored drawing, the Issuing Bank shall distribute to each Lender which has paid all amounts payable by it under Section 2.04(e) with respect to such honored drawing such Lender's Pro Rata Share of any interest received by the Issuing Bank in respect of that portion of such honored drawing so reimbursed by Lenders for the period from the date on which the Issuing Bank was so reimbursed by Lenders to but excluding the date on which such portion of such honored drawing is reimbursed by the applicable Borrower.

(h) For purposes of disclosure pursuant to the *Interest Act* (Canada), (i) whenever any interest under this Agreement is calculated using a rate based on a year of 360 days or 365 days, as the case may be, the rate determined pursuant to such calculation, when expressed as an

annual rate, is equivalent to (x) the applicable rate based on a year of 360 days or 365 days, as the case may be, (y) multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends, and (z) divided by 360 or 365, as the case may be, (ii) the principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement, and (iii) the rates of interest stipulated in this Agreement are intended to be nominal rates and not effective rates or yields.

#### **Section 2.09 Conversion/Continuation.**

(a) Subject to Section 2.18 and so long as no Default or Event of Default shall have occurred and then be continuing, the Borrowers shall have the option:

(i) to convert at any time all or any part of any Term Loan or Revolving Loan denominated in Dollars or Canadian Dollars equal to \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount from one Type of Loan to another Type of Loan; provided, that a Term Benchmark Loan may only be converted on the expiration of the Interest Period applicable to such Term Benchmark Loan unless the U.S. Borrower shall pay all amounts due under Section 2.18 in connection with any such conversion; or

(ii) upon the expiration of any Interest Period applicable to any Term Benchmark Loan, to continue all or any portion of such Loan equal to \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount as a Term Benchmark Loan;

provided that, for the avoidance of doubt, no conversion or continuation of any Loan pursuant to this Section 2.09 shall affect the currency in which such Loan is denominated prior to any such conversion or continuation and each such Loan shall remain outstanding denominated in the currency originally issued.

(b) The Borrower Representative shall deliver a Conversion/Continuation Notice to the Administrative Agent no later than 11:00 a.m. (New York City time) at least one Business Day in advance of the proposed conversion date (in the case of a conversion to a Base Rate Loan or Canadian Prime Rate Loan), at least three Business Days in advance of the proposed Conversion/Continuation Date (in the case of a conversion to, or a continuation of, a Term Benchmark Loan denominated in Dollars or Canadian Dollars or continuation of a Term Benchmark Loan denominated in Euros), and at least five Business Days in advance of the proposed Conversion/Continuation Date (in the case of a continuation of a Term Benchmark Loan denominated in other Approved Currencies). Except as otherwise provided herein, a Conversion/Continuation Notice for conversion to, or continuation of, any Term Benchmark Loans, shall be irrevocable on and after the related Interest Rate Determination Date, and each Borrower shall be bound to effect a conversion or continuation in accordance therewith.

**Section 2.10 Default Interest.** Upon the occurrence and during the continuance of an Event of Default under Section 8.01(a), 8.01(c) (in the case of a failure to perform or comply with any term or condition contained in Section 6.04), or 8.01(e), and, at the request of the Required Lenders, any other Event of Default, the principal amount of all Loans outstanding and, to the extent permitted by applicable law, any interest payments on the Loans or any fees or other amounts owed hereunder, shall thereafter bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws) payable on demand at a rate (the "Default Rate") that is 2.00% *per annum* in excess of the interest rate otherwise payable hereunder with respect to the applicable Loans (or, in the case of any such fees and other amounts, at a rate which is 2.00% *per annum* in excess of the interest rate otherwise payable hereunder for Base Rate Loans that are Revolving Loans); provided, that in the case of Term Benchmark Loans denominated in Dollars, and Canadian Dollars, upon the expiration of the

Interest Period in effect at the time any such increase in interest rate is effective such Term Benchmark Loans shall thereupon become Base Rate Loans or Canadian Prime Rate Loans, as applicable, and shall thereafter bear interest payable upon demand at a rate which is 2.00% *per annum* in excess of the interest rate otherwise payable hereunder for Base Rate Loans. Payment or acceptance of the increased rates of interest provided for in this Section 2.10 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Administrative Agent or any Lender.

#### **Section 2.11 Fees.**

(a) The U.S. Borrower agrees to pay to Multicurrency Revolving Lenders (other than Defaulting Lenders):

(i) commitment fees equal to (1) the average of the daily difference between (a) the Multicurrency Revolving Commitments and (b) the Dollar Equivalent of the aggregate principal amount of (x) all outstanding Multicurrency Revolving Loans plus (y) the Dollar Equivalent of Letter of Credit Usage, times (2) the Applicable Revolving Commitment Fee Percentage; and

(ii) letter of credit fees equal to (1) the Applicable Margin for Multicurrency Revolving Loans that are Term Benchmark Loans, times (2) the Dollar Equivalent of the average aggregate daily maximum amount available to be drawn under all such Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination).

All fees referred to in this Section 2.11(a) shall be paid in Dollars to the Administrative Agent at its Principal Office and upon receipt, the Administrative Agent shall promptly distribute to each Multicurrency Revolving Lender its Pro Rata Share thereof.

(b) Each Hong Kong Borrower, jointly and severally, agrees to pay to Lenders (other than Defaulting Lenders) having Hong Kong Revolving Exposure commitment fees equal to (1) the Dollar Equivalent of the average of the daily difference between (a) the Hong Kong Revolving Commitments and (b) the Dollar Equivalent of the aggregate principal amount of all outstanding Hong Kong Revolving Loans, times (2) the Applicable Revolving Commitment Fee Percentage.

All fees referred to in this Section 2.11(b) shall be paid in Dollars to the Administrative Agent at its Principal Office and upon receipt, the Administrative Agent shall promptly distribute to each Lender that has Hong Kong Revolving Exposure its Pro Rata Share thereof.

(c) Letter of Credit Fronting Fees.

(i) The Borrower Representative agrees to pay directly to the applicable Issuing Bank, for its own account, with respect to any standby Letters of Credit a fronting fee in Dollars equal to 0.125% *per annum* (or such lesser amount as may be agreed to by the Borrower Representative and the applicable Issuing Bank), times the Dollar Equivalent of average aggregate daily maximum amount available to be drawn under all Letters of Credit (determined as of the close of business on any date of determination).

(ii) The applicable Borrower agrees to pay such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit as are in accordance with the applicable Issuing Bank's standard schedule for such charges and as

in effect at the time of such issuance, amendment, transfer or payment, as the case may be.

(d) All fees referred to in Sections 2.11(a), 2.11(b), and 2.11(c) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and shall be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year during the applicable Revolving Commitment Period, commencing on the first such date to occur after the Closing Date, and on the applicable Revolving Commitment Termination Date.

(e) In addition to any of the foregoing fees, the Borrowers agree to pay to Agents such other fees (such as administrative agency fees) in the amounts and at the times separately agreed upon.

#### **Section 2.12 Scheduled Payments.**

(a) The principal amounts of the Tranche A Euro Term Loans shall be repaid in consecutive quarterly installments (each, an “Installment”) in the aggregate amounts set forth below on the dates set forth below (each, an “Installment Date”), commencing on March 31, 2023:

<b>Installment Date</b>	<b>Tranche A Dollar Term Loan Installments</b>
March 31, 2023	€2,753,906.25
June 30, 2023	€2,753,906.25
September 30, 2023	€2,753,906.25
December 31, 2023	€2,753,906.25
March 31, 2024	€2,753,906.25
June 30, 2024	€2,753,906.25
September 30, 2024	€2,753,906.25
December 31, 2024	€2,753,906.25
March 31, 2025	€2,753,906.25
June 30, 2025	€2,753,906.25
September 30, 2025	€2,753,906.25
December 31, 2025	€2,753,906.25
March 31, 2026	€2,753,906.25
June 30, 2026	€2,753,906.25
September 30, 2026	€2,753,906.25
December 31, 2026	€2,753,906.25
March 31, 2027	€2,753,906.25
June 30, 2027	€2,753,906.25
September 30, 2027	€2,753,906.25
Tranche A Euro Term Loan Maturity Date	Remainder

(b) Notwithstanding the foregoing, (x) such Installments shall be reduced, respectively, in connection with any voluntary prepayment of the Tranche A Euro Term Loans in accordance with [Section 2.13](#) and [Section 2.15](#); and (y) the Tranche A Euro Term Loans, together with all other amounts owed hereunder with respect thereto, shall, in any event, be paid in full no later than the Tranche A Euro Term Loan Maturity Date.

### **Section 2.13 Voluntary Prepayments/Commitment Reductions.**

#### **(a) Voluntary Prepayments.**

(i) Any time and from time to time (1) with respect to Base Rate Loans or Canadian Prime Rate Loans, the applicable Borrower may prepay any such Loans on any Business Day in whole or in part, in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount; (2) with respect to Term Benchmark Loans, the applicable Borrower may prepay any such Loans on any Business

Day in whole or in part in an aggregate minimum amount of, with respect to Loans denominated in Dollars, Canadian Dollars, Australian Dollars or Hong Kong Dollars, \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount, and, with respect to Loans denominated in Euros or Other Foreign Currencies, €5,000,000 and integral multiples of €1,000,000 in excess of that amount; and (3) with respect to Swing Line Loans, the applicable Borrower may prepay any such Loans on any Business Day in whole or in part in an aggregate minimum amount of, with respect to Swing Line Loans denominated in Dollars or Canadian Dollars, \$500,000, and in integral multiples of \$100,000 in excess of that amount, and, with respect to Swing Line Loans denominated in Euros, €5,000,000 and integral multiples of €1,000,000 in excess of that amount, in each case, without premium or penalty except as described in the immediately following sentence.

(ii) All such prepayments shall be made (1) upon not less than one Business Day's prior written notice in the case of Base Rate Loans, Canadian Prime Rate Loans; (2) upon not less than three Business Days' prior written notice in the case of Term Benchmark Loans; (3) upon not less than five Business Days' prior written notice in the case of RFR Loans and (4) upon written notice on the date of prepayment, in the case of Swing Line Loans;

in each case, given to the Administrative Agent or applicable Swing Line Lender, as the case may be, by 12:00 p.m. (New York City time) (or, with respect to repayments of Loans denominated in Euros or Other Foreign Currencies, 12:00 p.m. (London, England time)) on the date required (and the Administrative Agent or such Swing Line Lender, as the case may be, shall promptly transmit such original notice electronically or by telefacsimile or telephone to each applicable Lender). Upon the giving of any such notice, the principal amount of the Loans specified in such notice shall become due and payable on the prepayment date specified therein; provided that such a notice may state that such notice is conditioned upon the effectiveness of other credit facilities, indentures or similar agreements or the occurrence of any other transactions, in which case such notice may be revoked by the Borrower Representative if such condition is not satisfied. Any such voluntary prepayment shall be applied as specified in Section 2.15(a).

(b) Voluntary Commitment Reductions.

(i) The Borrower Representative may, upon not less than three Business Days' prior written notice to the Administrative Agent (which written notice the Administrative Agent shall promptly transmit electronically or by telefacsimile or telephone to each applicable Lender), at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Multicurrency Revolving Commitments and/or the Hong Kong Revolving Commitments in an amount up to the amount by which (x) the Multicurrency Revolving Commitments exceed the Total Utilization of Multicurrency Revolving Commitments, or (y) the Hong Kong Revolving Commitments exceed the Total Utilization of Hong Kong Revolving Commitments, as applicable, at the time of such proposed termination or reduction; provided, that any such partial reduction of the applicable Revolving Commitments shall be in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) The Borrower Representative's notice to the Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction of the Revolving Commitments shall be effective on the date specified in the Borrower Representative's



notice and shall reduce the applicable Revolving Commitments of each Lender proportionately to its Pro Rata Share thereof; provided that such a notice may state that such notice is conditioned upon the effectiveness of other credit facilities, indentures or similar agreements or the occurrence of any other transactions, in which case such notice may be revoked by the Borrower Representative if such condition is not satisfied. Notwithstanding anything to the contrary contained in this Section 2.13(b)(ii) or any other provision of this Agreement, the Borrower Representative may reduce the Revolving Commitment of any Defaulting Lender to an amount not less than the applicable Revolving Exposure of such Defaulting Lender with respect to such Revolving Commitment (it being understood that for purposes of determining such Defaulting Lender's Revolving Exposure pursuant to this sentence, such Defaulting Lender's Revolving Commitments shall be deemed to be terminated), such reduction to be subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed).

#### **Section 2.14 Mandatory Prepayments/Commitment Reductions.**

(a) Revolving Loans, Swing Line Loans and Letters of Credit. The applicable Borrower shall from time to time (i) prepay *first*, the Swing Line Loans, and *second*, the Revolving Loans and (ii) if all such Loans are prepaid without exhausting the excess referred to below, Cash Collateralize outstanding Letters of Credit, in each case, to the extent necessary so that (x) the Total Utilization of Multicurrency Revolving Commitments shall not at any time exceed the Multicurrency Revolving Commitments then in effect, and (y) the Total Utilization of Hong Kong Revolving Commitments shall not at any time exceed the Hong Kong Revolving Commitments then in effect. Notwithstanding the foregoing, mandatory prepayments of Swing Line Loans and Revolving Loans and Cash Collateralization of Letters of Credit that would otherwise be required pursuant to this Section 2.14(a) solely as a result of fluctuations in Exchange Rates from time to time shall only be required to be made on the last Business Day of each month on the basis of the Exchange Rate in effect on such Business Day.

#### **Section 2.15 Application of Prepayments/Reductions**

(a) Application of Voluntary Prepayments by Type of Loans. Any prepayment of any Loan pursuant to Section 2.13(a) shall be applied to the Loans and Installments, if applicable, as specified by the applicable Borrower in the applicable notice of prepayment (and shall not be required to be applied *pro rata* to all Loans or Installments); provided, further, that in the event the applicable Borrower fails to specify the Loans to which any such prepayment shall be applied, such prepayment shall be applied as follows:

*first*, to repay outstanding Swing Line Loans on a *pro rata* basis until paid in full;

*second*, to repay outstanding Revolving Loans on a *pro rata* basis until paid in full; and

*third*, to prepay the Tranche A Euro Term Loans (and, if required by the applicable Joinder Agreement, the Incremental Term Loans) on a *pro rata* basis in accordance with the respective outstanding principal amounts thereof, which prepayments shall be applied in direct order of maturity to reduce the scheduled remaining Installments of the Tranche A Euro Term Loans (and, if required by the applicable Joinder Agreement, the Incremental Term Loans);

in each case, for the avoidance of doubt, allocated on a *pro rata* basis among the applicable Tranche A Euro Term Loans, Revolving Loans and Swing Line Loans.

(b) Application of Prepayments of Loans to Base Rate Loans, Canadian Prime Rate Loans and Term Benchmark Loans. Considering each Class of Loans being prepaid separately, any prepayment of Loans denominated in Dollars or Canadian Dollars shall be applied first to Base Rate Loans or Canadian Prime Rate Loans, as applicable, to the full extent thereof before application to Term Benchmark Loans or RFR Loans, as applicable, in each case in a manner which minimizes the amount of any payments required to be made by the U.S. Borrower pursuant to Section 2.18(c).

#### **Section 2.16 General Provisions Regarding Payments.**

(a) Except as otherwise specified in Section 2.11, all payments by the Borrowers of principal, interest, fees and other Obligations shall be made, (i) with respect to Loans denominated in an Approved Currency, in such applicable Approved Currency; *provided* that all fees shall be paid in Dollars, and (ii) with respect to Multicurrency Revolving Commitments and Hong Kong Revolving Commitments, in Dollars, in each case in same day funds, without defense, setoff or counterclaim, free of any restriction or condition (other than any security or quasi-security arising in connection with any cash pooling, netting or set-off arrangement entered into by any Group Member in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances (including any security or quasi-security granted in favor of the financial institution with whom such arrangements are entered into in order to secure obligations under such arrangements and including an ancillary facility which is an overdraft comprising more than one account)), and delivered to the Administrative Agent not later than 12:00 p.m. (New York City time) (or with respect to Loans denominated in Euros or Other Foreign Currencies, 12:00 p.m. (London, England time) on the date due at the Principal Office designated by the Administrative Agent for the account of Lenders. For purposes of computing interest and fees, funds received by the Administrative Agent after that time on such due date shall be deemed to have been paid by the Borrowers on the next succeeding Business Day.

(b) All payments in respect of the principal amount of any Loan (other than voluntary prepayments of Revolving Loans, Base Rate Loans, Canadian Prime Rate Loans or Daily Simple ESTR Loans) shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, and all such payments (and, in any event, any payments in respect of any Loan on a date when interest is due and payable with respect to such Loan) shall be applied to the payment of interest then due and payable before application to principal.

(c) The Administrative Agent (or its agent or sub-agent appointed by it) shall promptly distribute to each applicable Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due thereto, including all fees payable with respect thereto, to the extent received by the Administrative Agent.

(d) Notwithstanding the foregoing provisions hereof, if any Conversion/Continuation Notice is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Loans in lieu of its Pro Rata Share of any Term SOFR Loans, the Administrative Agent shall give effect thereto in apportioning payments received thereafter.

(e) Subject to the provisos set forth in the definition of "Interest Period" and "Interest Payment Date" as they may apply to Revolving Loans, whenever any payment to be made hereunder with respect to any Loan shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and, with respect to Revolving Loans only, such extension of time shall be included in the computation of the payment of interest hereunder or of the Revolving Commitment fees hereunder.

(f) The Administrative Agent shall deem any payment by or on behalf of any Borrower hereunder that is not made in same day funds prior to 12:00 p.m. (New York City time) (or, with respect to Loans denominated in Euros or Other Foreign Currencies, 12:00 p.m. (London, England time)), to be a non-conforming payment. Any such payment shall not be deemed to have been received by the Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the applicable next Business Day. The Administrative Agent shall give prompt electronic or telephonic notice (confirmed in writing) to the Borrower Representative and each applicable Lender if any payment is non-conforming. Any non-conforming payment may constitute or become a Default or Event of Default in accordance with the terms of Section 8.01(a).

(g) If an Event of Default shall have occurred and not otherwise been waived, and the maturity of the Obligations under the Loan Documents shall have been accelerated pursuant to Section 8.01, all payments or proceeds received by Agents hereunder in respect of any of the Obligations under the Loan Documents, shall be applied in accordance with the application arrangements described in Section 2.15(b).

**Section 2.17 Ratable Sharing.** The Lenders to the Multicurrency Borrowers agree among themselves, and the Lenders to the Hong Kong Borrowers hereby agree among themselves, that if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Loans made and applied in accordance with the terms hereof), through the exercise of any right of set-off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Loan Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of principal, interest, amounts payable in respect of Letters of Credit, fees and other amounts then due and owing to such Lender hereunder or under the other Loan Documents (collectively, the "Aggregate Amounts Due" to such Lender) which is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall (a) notify the Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided, that if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of any Borrower or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. The provisions of this Section 2.17 shall not be construed to apply to (a) any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement or (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Loans or other Obligations owed to it. The provisions of this Section 2.17 are subject to any security or quasi-security arising in connection with any cash pooling, netting or set-off arrangement entered into by any Group Member in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances.

**Section 2.18 Making or Maintaining Term Benchmark Loans or RFR Loans.**

(a) Inability to Determine Applicable Interest Rate.

(i) Subject to Section 2.27, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Daily Simple

RFR” cannot be determined in accordance with the terms of this Agreement or “Term Benchmark” cannot be determined in accordance with the terms of this Agreement on or prior to the first day of any Interest Period, the Administrative Agent will promptly so notify the Borrower Representative and each Lender (electronically or by telefacsimile or by telephone confirmed in writing). Upon notice thereof by the Administrative Agent to the Borrower Representative, any obligation of the Lenders to make the applicable RFR Loan, make or continue Term Benchmark Loans or to convert Base Rate Loans or Canadian Prime Rate Loans to applicable Term Benchmark Loans shall be suspended (to the extent of the affected RFR Loans or Term Benchmark Loans or, in the case of a Term Benchmark borrowing, the affected Interest Periods) until the Administrative Agent revokes such notice. Upon receipt of such notice, (i) the Borrower Representative may revoke any pending request for a borrowing of the applicable RFR Loans, or a borrowing, conversion to or continuation of applicable Term Benchmark Loans (to the extent of the affected Term Benchmark Loans or, in the case of a Term Benchmark borrowing, the affected Interest Periods) or, failing that, in the case of any request for an affected RFR or Term Benchmark based borrowing, then such request shall be ineffective, (ii) any outstanding affected Term Benchmark Loans denominated in Dollars will be deemed to have been converted into Base Rate Loans on the last day of the then-current Interest Period for such affected Term Benchmark Loans, (iii) any outstanding affected Term Benchmark Loans denominated in Canadian Dollars will be deemed to have been converted into Canadian Prime Rate Loans on the last day of the then-current Interest Period for such affected Term Benchmark Loans and (iv) any outstanding affected Term Benchmark Loans or RFR Loans denominated in other Approved Currency will be deemed to have been converted into Loans that bear interest at the Central Bank Rate (in the case of any such Term Benchmark Loans, on the last day of the then-current Interest Period for such affected Term Benchmark Loans), in each case, so long as such circumstances remain in effect; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Alternative Currency cannot be determined, then, the Administrative Agent shall provide notice of such determination to the Borrower Representative and, so long as such circumstances remain in effect, at the Borrower Representative’s election, such Loans shall either (A) be converted into Base Rate Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) immediately or (B) be prepaid in full immediately; provided that if no election is made by the Borrower Representative by the date that is three Business Days after receipt by the Borrower Representative of such notice, the Borrower Representative shall be deemed to have elected clause (A) above. Upon any such conversion, the Borrowers shall also pay any additional amounts required pursuant to Section 2.18(c).

(ii) If the Administrative Agent determines pursuant to Section 2.18(a)(i) (which determination shall be conclusive and binding absent manifest error) that “Term SOFR” cannot be determined in accordance with the terms of this Agreement, the interest rate on Base Rate Loans shall be determined by the Administrative Agent without reference to clause (z) of the definition of “Base Rate” until the Administrative Agent revokes such determination.

(iii) If the Administrative Agent determines pursuant to Section 2.18(a)(i) (which determination shall be conclusive and binding absent manifest error) that the CDO Rate cannot be determined in accordance with the terms of this Agreement, the interest rate on Canadian Prime Rate Loans shall be determined by the Administrative Agent without reference to such Benchmark in the definition of “Canadian Prime Rate” until the Administrative Agent revokes such determination.

(b) Illegality. If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to any Term Benchmark or Daily Simple RFR, or to determine or charge interest rates based upon any Term Benchmark or Daily Simple RFR, then, upon notice thereof by such Lender (such Lender, an “Affected Lender”) to the Borrower Representative (through the Administrative Agent), (a) any obligation of such Lender to make or continue Term Benchmark Loans or RFR Loans or to convert Base Rate Loans or Canadian Prime Rate Loans to Term Benchmark Loans shall be suspended, and (b) the interest rate on which Base Rate Loans or Canadian Prime Rate Loans, as applicable, of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the applicable Benchmark in the definition of “Base Rate” or “Canadian Prime Rate”, as applicable, in each case until such Lender notifies the Administrative Agent and the Borrower Representative that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrower Representative shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all applicable Term Benchmark Loans or RFR Loans of such Lender to Base Rate Loans (or Canadian Prime Rate Loans, if the Term Benchmark Loan is denominated in Canadian Dollars) (provided that the interest rate on which Base Rate Loans or Canadian Prime Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the applicable Benchmark in the definition of “Base Rate” or “Canadian Prime Rate”, applicable), (I) in the case of the Term Benchmark Loans, on the last day of the then-current Interest Period therefor and (II) in the case of the RFR Loans, on the next Interest Payment Date therefor, if such Lender may lawfully continue to maintain such Term Benchmark Loans or RFR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term Benchmark Loans or RFR Loans and (ii) if necessary to avoid such illegality, the Administrative Agent shall during the period of such suspension compute the Base Rate or Canadian Prime Rate applicable to such Lender without reference to the applicable Benchmark in the definition of “Base Rate” or “Canadian Prime Rate”, as applicable, until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon Daily Simple RFR or any Term Benchmark. Upon any such prepayment or conversion, the applicable Borrower shall also pay any additional amounts required pursuant to Section 2.18(c).

(c) Compensation for Breakage or Non-Commencement of Interest Periods. The applicable Borrower shall compensate each Lender, upon written request by such Lender (which request shall set forth the basis for requesting such amounts), for all reasonable losses, expenses and liabilities (including any interest paid by such Lender to Lenders of funds borrowed by it to make or carry its Term Benchmark Loans, and any loss, expense or liability sustained by such Lender in connection with the liquidation or re-employment of such funds but excluding loss of anticipated profits) which such Lender actually sustains as a direct result of any of the following circumstances: (i) if for any reason (other than a default by such Lender) a borrowing of any Term Benchmark Loan, does not occur on a date specified therefor in a Borrowing Notice, or a conversion to or continuation of any Term Benchmark Loan, does not occur on a date specified therefor in a Conversion/Continuation Notice; (ii) if any prepayment or other principal payment of, or any conversion of, any of its Term Benchmark Loans occurs on a date prior to the last day of an Interest Period applicable to that Loan; or (iii) if any prepayment of any of its Term Benchmark Loans is not made on any date specified in a notice of prepayment given by the applicable Borrower or the Borrower Representative.

(d) Booking of Term Benchmark Loans or RFR Loans. Any Lender may make, carry or transfer Term Benchmark Loans or RFR Loans, as applicable, at, to or for the account of any of its branch offices or the office of an Affiliate of such Lender.

## **Section 2.19 Increased Costs; Capital Adequacy.**

(a) Compensation For Increased Costs. In the event that any Lender (which term shall include the Issuing Bank for purposes of this Section 2.19(a)) shall determine (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that any law, treaty or governmental rule, regulation or order, or any change therein or in the interpretation, administration or application thereof (including, notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith regardless of the date enacted, adopted or issued (but only to the extent actually implemented)), or any determination of a court or Governmental Authority, in each case that becomes effective after the date hereof, or compliance by such Lender with any guideline, request or directive issued or made after the date hereof by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law and including all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case, pursuant to Basel III, regardless of the date enacted, adopted or issued (but only to the extent actually implemented)): (i) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender; or (ii) imposes any other condition on or affecting such Lender (or its applicable lending office) or its obligations hereunder or the relevant off-shore interbank market for any Approved Currency; and the result of any of the foregoing is to increase the cost to such Lender of agreeing to make, making or maintaining Loans hereunder or acquiring participations in, issuing or maintaining Letters of Credit hereunder or to reduce any amount received or receivable by such Lender (or its applicable lending office) with respect thereto; then, in any such case, the applicable Borrower shall promptly pay to such Lender, upon receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as may be necessary to compensate such Lender for any such increased cost or reduction in amounts received or receivable hereunder. Such Lender shall deliver to the Borrower Representative (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.19(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error. For the avoidance of doubt, this Section 2.19(a) shall not apply to any Excluded Taxes or Indemnified Taxes imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document.

(b) Capital Adequacy Adjustment. In the event that any Lender (which term shall include the Issuing Bank for purposes of this Section 2.19(b)) shall have determined that the adoption, effectiveness, phase-in or applicability after the Closing Date of any law, rule or regulation (or any provision thereof) regarding capital adequacy or liquidity requirements, or any change therein or in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof in each case that becomes effective after the date hereof, or compliance by any Lender (or its applicable lending office) with any guideline, request or directive issued or made after the date hereof regarding capital adequacy or liquidity requirements (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency (including, notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank

for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case, pursuant to Basel III, regardless in the case of clauses (i) and (ii) of the date enacted, adopted or issued (but in the case of clauses (i) and (ii) only to the extent actually implemented)), has or would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of, or with reference to, such Lender's Loans or applicable Revolving Commitment or Letters of Credit, or participations therein or other obligations hereunder with respect to the Loans or the Letters of Credit, to a level below that which such Lender or such controlling corporation could have achieved but for such adoption, effectiveness, phase-in, applicability, change or compliance (taking into consideration the policies of such Lender or such controlling corporation with regard to capital adequacy or liquidity requirements), then from time to time, within five Business Days after receipt by the Borrower Representative from such Lender of the statement referred to in the next sentence, the applicable Borrower shall pay to such Lender such additional amount or amounts as shall compensate such Lender or such controlling corporation on an after-tax basis for such reduction. Such Lender shall deliver to the Borrower Representative (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.19(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

## **Section 2.20 Taxes; Withholding, Etc.**

(a) Payments to Be Free and Clear. Any and all sums payable by or on behalf of any Loan Party hereunder and under any other Loan Document shall (except to the extent required by law) be paid free and clear of, and without any deduction or withholding for or on account of, any Tax.

(b) Withholding of Taxes. If any Loan Party or any other Person is required by law to make any deduction or withholding for or on account of any Tax from any sum paid or payable by or on behalf of any Loan Party to the Administrative Agent or any Lender (which term shall include the Issuing Bank for purposes of this Section 2.20(b)) under any of the Loan Documents: (i) the applicable Loan Party shall notify the Administrative Agent in writing of any such requirement or any change in any such requirement as soon as the applicable Loan Party becomes aware of it; (ii) the applicable Borrower shall timely pay any such Tax before the date on which penalties attach thereto, such payment to be made (if the liability to pay is imposed on any Loan Party) for its own account or (if that liability is imposed on the Administrative Agent or such Lender) on behalf of and in the name of the Administrative Agent or such Lender, as the case may be to the relevant Governmental Authority in accordance with law; (iii) if such Tax is an Indemnified Tax, then the sum payable by such Loan Party in respect of which the relevant deduction, withholding or payment is required shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment, the Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment been required or made (after taking into account any additional deduction, withholding or payment of any Indemnified Taxes on such increased payment); and (iv) as soon as practicable after any payment of Tax by a Loan Party, the applicable Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(c) Evidence of Exemption From, or Reduction of, Withholding Tax. Any Lender (which term shall include the Issuing Bank for purposes of this Section 2.20(c)) that is entitled to an exemption from or reduction of withholding Tax under the law of the jurisdiction in which

any Borrower is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Loan Document shall, to the extent it may lawfully do so, deliver to such Borrower and the Administrative Agent, at the time or times prescribed by applicable requirements of law and reasonably requested by such Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable requirements of law and any other information as will permit such payments to be made without withholding or at a reduced rate of withholding. Notwithstanding anything to the contrary in the preceding sentence, the completion, execution and submission of such documentation (other than such documentation set forth in (c)(i) and (ii) below, the immediately subsequent sentence and, in the case of a U.S. Lender, the IRS Form W-9) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrowers and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrowers or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrowers or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of the foregoing sentence, "FATCA" shall include any amendments made to FATCA after the date of this Agreement. Without limiting the generality of the foregoing, each Lender that is not a "United States person" (as such term is defined in Section 7701(a)(30) of the Internal Revenue Code) for U.S. federal income tax purposes and that is a Lender to a U.S. Loan (a "Non-U.S. Lender") (for this purpose, including any Commitment with respect thereto) shall, to the extent it is legally entitled to do so, deliver to the Administrative Agent for transmission to the Borrower Representative, on or prior to the Closing Date or on or prior to the date of the Assignment Agreement pursuant to which it becomes a Lender (in the case of each other Lender), and at such other times as may be prescribed by law or as may be necessary in the determination of the Borrower Representative or the Administrative Agent (each in the reasonable exercise of its discretion), (i) two copies of IRS Form W-8BEN or W-8BEN-E, as applicable (claiming the benefits of any applicable income tax treaty), W-8ECI, W-8EXP and/or W-8IMY (or, in each case, any successor forms), as applicable, properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code or reasonably requested by the Borrower Representative or the Administrative Agent to establish that such Lender is not subject to (or is subject to a reduced rate of) deduction or withholding of United States federal income tax with respect to any payments to such Lender of principal, interest, fees or other amounts payable under any of the Loan Documents or (ii) if such Lender is not a "bank" or other Person described in Section 881(c)(3) of the Internal Revenue Code and is relying on the so-called "portfolio interest exemption," a Certificate re Non-Bank Status together with two copies of IRS Form W-8BEN or W-8BEN-E, as applicable (or any successor form), properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code or reasonably requested by the Borrower Representative or the Administrative Agent to establish that such Lender is not subject to deduction or withholding of United States federal income tax with respect to any payments to such Lender of interest payable under any of the Loan Documents. Each Lender that is a United States person (as such term is defined in Section 7701(a)(30) of the Internal Revenue Code) for United States federal income tax purposes (a "U.S. Lender") shall deliver to the Administrative Agent and the Borrower Representative on or prior to the Closing Date (or, if later, on or prior to the date on which such Lender becomes a



party to this Agreement) two copies of IRS Form W-9 (or any successor form), properly completed and duly executed by such Lender, certifying that such U.S. Lender is exempt from United States backup withholding tax. Each Lender required to deliver any forms, certificates or other evidence with respect to United States federal income tax withholding matters pursuant to this Section 2.20(c) hereby agrees, from time to time after the initial delivery by such Lender of such forms, certificates or other evidence, whenever a lapse in time or change in circumstances renders such forms, certificates or other evidence obsolete or inaccurate in any material respect, that such Lender shall promptly deliver to the Administrative Agent and the Borrower Representative two new copies of IRS Form W-8BEN, W-8-BEN-E, W-8ECI, W-8IMY, W-8EXP and/or W-9 (or, in each case, any successor form), or a Certificate re Non-Bank Status, as the case may be, properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code and reasonably requested by the Borrower Representative or the Administrative Agent to confirm or establish that such Lender is not subject to (or is subject to a reduced rate of) deduction or withholding of United States federal income tax with respect to payments to such Lender under the Loan Documents, or notify the Administrative Agent and the Borrower Representative of its inability to deliver any such forms, certificates or other evidence. No Borrower shall be required to pay any additional amount to any Non-U.S. Lender under Section 2.20(b)(iii) with respect to Indemnified Taxes imposed by reason of such Lender's failure (1) to deliver the forms, certificates or other evidence required by this Section 2.20(c) or (2) to notify the Administrative Agent and the Borrower Representative of its inability to deliver any such forms, certificates or other evidence, as the case may be; provided, that if such Lender shall have satisfied the requirements to deliver forms, certificates or other evidence under this Section 2.20(c) on the date of the Assignment Agreement pursuant to which it became a Lender, nothing in this last sentence of Section 2.20(c) shall relieve any Loan Party of its obligation to pay any additional amounts pursuant to this Section 2.20 in the event that, as a result of any change in any applicable law, treaty or governmental rule, regulation or order, or any change in the interpretation, administration or application thereof that becomes effective after such date, such Lender is no longer properly entitled to deliver forms, certificates or other evidence at a subsequent date establishing the fact that such Lender is not subject to withholding as described herein.

(d) Without limiting the provisions of Section 2.20(b), each Loan Party shall timely pay, or at the option of the Administrative Agent timely reimburse it for the payment of, all Other Taxes to the relevant Governmental Authorities in accordance with applicable law. Each Loan Party or the Borrower Representative shall deliver to the Administrative Agent official receipts or other evidence of such payment reasonably satisfactory to the Administrative Agent in respect of any Other Taxes payable hereunder promptly after payment of such Other Taxes.

(e) If the Administrative Agent or a Lender (which term shall include the Issuing Bank for purposes of this Section 2.20(e)) receives a refund of any amount as to which a Borrower has made any payments pursuant to this Section 2.20, the Administrative Agent or such Lender shall pay over any such refund to such Borrower (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of such Lender's expenses and out-of-pocket costs (including Taxes) of such Administrative Agent or a Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that such Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (including any applicable interest, fees and penalties) in the event that the Administrative Agent or such Lender is required to repay such refund to the relevant Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will the Administrative Agent or a Lender be required to pay any amount to a Borrower pursuant to this paragraph (e) the payment of which would place the Administrative Agent or a Lender in a less favorable net after-Tax position than the Administrative Agent or the Lender

would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any Administrative Agent or a Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to a Borrower or any other Person.

(f) The Loan Parties shall jointly and severally indemnify the Administrative Agent and any Lender (which term shall include Issuing Bank for purposes of this Section 2.20(f)), within 10 days after demand therefor, for the full amount of Indemnified Taxes for which additional amounts are required to be paid pursuant to Section 2.20(b) and Other Taxes, in each case arising in connection with this Agreement or any other Loan Document (including any such Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.20) paid by the Administrative Agent or Lender or any of their respective Affiliates and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to such Loan Party shall be conclusive absent manifest error. Such payment shall be due within 30 days of such Loan Party's receipt of such certificate.

(g) Each Arranger undertakes, represents and warrants to the Australian Borrower that (i) on behalf of the Australian Borrower, the Arrangers made invitations to become a Lender under this Agreement in respect of all of the Commitments to at least 10 persons, each of whom, as at the date the relevant invitation was made, the Arrangers' relevant officers involved in the transaction on a day to day basis, to their actual knowledge, believed was carrying on the business of providing finance, or investing or dealing in securities in the course of operating in financial markets for the purposes of paragraph 128F(3A)(a)(i) of the Australian Tax Act, and each of whom has been disclosed to the Australian Borrower; (ii) other than with respect to fee compensation paid to each Arranger, each Arranger has accepted an offer to become a "Lender" under this agreement under the same terms applicable to other parties to whom invitations to become a Lender have been made; (iii) at least 10 of the persons to whom it (on behalf of the Australian Borrower) has made invitations referred to in sub-paragraph (i) above are not, as at the date the invitations were made, to the actual knowledge of its relevant officers involved in the transaction on a day to day basis, Australian Associates of any of the others of those 10 invitees; and (iv) it has not made offers or invitations referred to in sub-paragraph (i) above to parties whom its relevant officers involved in the transaction on a day to day basis, to their actual knowledge, are aware are Australian Offshore Associates of the Australian Borrower.

(h) Each Lender represents and warrants to the Australian Borrower that, if it received an invitation under paragraph (g)(i) above, at the time it received the invitation, to the actual knowledge of its relevant officers involved in the transaction on a day to day basis: (i) it was carrying on the business of providing finance, or investing or dealing in securities, in the course of operating in financial markets; and (ii) it was not, so far as its relevant officers involved in the transaction on a day to day basis have actual knowledge of the identity of a Lender, an Australian Associate of that Lender or an Australian Offshore Associate of the Australian Borrower.

(i) Each Borrower confirms that none of the potential invitees whose names were disclosed to it by the Arrangers were, to its actual knowledge, an Australian Offshore Associate of the Australian Borrower or an Australian Associate of any other such invitee.

(j) Each Arranger and each Original Lender will provide to the Australian Borrower when reasonably requested any factual information in its possession or which it is reasonably able to provide to assist the Australian Borrower to demonstrate (based upon tax advice received

by the Australian Borrower) that section 128F of the Australian Tax Act has been satisfied, where to do so will not, in that Original Lender's or Arranger's reasonable opinion, breach any law or regulation or any duty of confidence.

(k) If, for any reason, the requirements of section 128F of the Australian Tax Act have not been satisfied in relation to interest payable on the Loans (except to an Australian Offshore Associate of the Australian Borrower), then on request by the Administrative Agent, an Arranger or the Australian Borrower, each party shall co-operate and take steps reasonably requested with a view to satisfying those requirements, where an Arranger or Lender has breached paragraphs (g) or (h) above, at the cost of that party, or in all other cases, at the cost of the Borrowers.

(l) The parties agree that this Agreement is a "syndicated facility agreement" for the purposes of Section 128F(11) of the Australian Tax Act.

**Section 2.21 Obligation to Mitigate.** Each Lender (which term shall include the Issuing Bank for purposes of this Section 2.21) agrees that, as promptly as practicable after the officer of such Lender responsible for administering its Loans or Letters of Credit, as the case may be, becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under Section 2.18, 2.19 or 2.20, it shall, to the extent not inconsistent with the internal policies of such Lender and any applicable legal or regulatory restrictions, use reasonable efforts to (a) make, issue, fund or maintain its Credit Extensions through another office of such Lender or (b) take such other measures as such Lender may deem reasonable, if as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to Section 2.18, 2.19 or 2.20 would be materially reduced and if, as determined by such Lender in its sole discretion, the making, issuing, funding or maintaining of such Revolving Commitments, Loans or Letters of Credit through such other office or in accordance with such other measures, as the case may be, would not otherwise adversely affect the interests of such Lender in any material respect; provided, that such Lender shall not be obligated to utilize such other office pursuant to this Section 2.21 unless the Borrower Representative agrees to pay all incremental expenses incurred by such Lender as a result of utilizing such other office as described above. A certificate as to the amount of any such expenses payable by the Borrower Representative pursuant to this Section 2.21 (setting forth in reasonable detail the basis for requesting such amount) submitted by such Lender to the Borrower Representative (with a copy to the Administrative Agent) shall be conclusive absent manifest error. For the avoidance of doubt, nothing in this Section 2.21 shall relieve any Lender from its obligations pursuant to Section 2.20(c) of this Agreement.

**Section 2.22 Defaulting Lenders.** Notwithstanding anything to the contrary contained in this Agreement, if any obligations of any Lender to purchase participations in or otherwise refinance or support any Swing Line Loans or Letters of Credit exist at the time any Lender having a Revolving Commitment becomes a Defaulting Lender (such Lender, a "Defaulting Revolving Lender") then:

(a) all obligations of the applicable Defaulting Revolving Lender to purchase participations in or otherwise refinance or support such Swing Line Loans and Letters of Credit shall be reallocated among the non-Defaulting Revolving Lenders of the applicable Class in accordance with their respective Pro Rata Share thereof, but only to the extent (i) with respect to Swing Line Loans and Letters of Credit, the sum of the non-Defaulting Revolving Lenders' Pro Rata Shares of the Total Utilization of Multicurrency Revolving Commitments plus such Defaulting Revolving Lender's Pro Rata Share of Multicurrency Revolving Exposure does not

exceed the total of all non-Defaulting Revolving Lenders' Multicurrency Revolving Commitments and (ii) in each case, the conditions set forth in Section 3.02 are satisfied at such time; it being understood that no reallocation will be made with respect to any non-Defaulting Revolving Lender to the extent such reallocation causes such non-Defaulting Revolving Lender's Pro Rata Share of the Total Utilization of Multicurrency Revolving Commitment to exceed such non-Defaulting Lender's Multicurrency Revolving Commitment;

(b) if the reallocation described in Section 2.22(a) cannot, or can only partially, be effected, the applicable Borrower shall (i) first, within one Business Day following notice by the Administrative Agent, prepay any outstanding Swing Line Loans to the extent the obligations of the applicable Defaulting Revolving Lender to purchase participations in or otherwise refinance or support Swing Line Loans have not been reallocated pursuant to Section 2.22(a), and (ii) second, within three Business Days following notice by the Administrative Agent, Cash Collateralize such Defaulting Revolving Lender's Pro Rata Share of the obligations to purchase participations in or otherwise refinance or support Letters of Credit (after giving effect to any partial reallocation pursuant to Section 2.22(a)) for so long as such obligations are outstanding;

(c) if the obligations of the applicable Defaulting Revolving Lender to purchase participations in or otherwise refinance or support Letters of Credit are reallocated among the non-Defaulting Revolving Lenders pursuant to Section 2.22(a), then the fees payable to the Lenders pursuant to Section 2.11 shall be adjusted in accordance with such non-Defaulting Revolving Lenders' Pro Rata Shares; and

(d) Subject to Section 10.26, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender's increased exposure following such reallocation.

**Section 2.23 Removal or Replacement of a Lender.** Anything contained herein to the contrary notwithstanding, in the event that: (a) (i) any Lender (an "Increased-Cost Lender") shall give notice to the Borrower Representative that such Lender is an Affected Lender or that such Lender is entitled to receive payments under Section 2.18, 2.19 or 2.20, (ii) the circumstances which have caused such Lender to be an Affected Lender or which entitle such Lender to receive such payments remain in effect, and (iii) such Lender shall fail to withdraw such notice within five Business Days after the Borrower Representative's request for such withdrawal; or (b) (i) any Lender shall become a Defaulting Lender, (ii) such Defaulting Lender's default remains in effect and (iii) such Defaulting Lender shall fail to cure the default as a result of which it has become a Defaulting Lender within five Business Days thereafter; or (c) in connection with any proposed amendment, modification, termination, extension, waiver or consent with respect to any of the provisions hereof as contemplated by Section 10.05(b) or Section 2.26, the consent of Required Lenders shall have been obtained but the consent of one or more of such other Lenders (each, a "Non-Consenting Lender") whose consent is required shall not have been obtained; then, with respect to each such Increased-Cost Lender, Defaulting Lender or Non-Consenting Lender (the "Terminated Lender"), the Borrower Representative may, by giving written notice to the Administrative Agent and any Terminated Lender of its election to do so, elect to cause such Terminated Lender (and such Terminated Lender hereby irrevocably agrees) to assign its outstanding Loans and its Revolving Commitments, if any, in full to one or more Eligible Assignees (each, a "Replacement Lender") in accordance with the provisions of Section 10.06 and the applicable Borrower shall pay the fees, if any, payable thereunder in connection with any such assignment from an Increased-Cost Lender, a Non-Consenting Lender or a Defaulting Lender; provided, that (1) on the date of such assignment, the Replacement Lender shall pay to the Terminated Lender an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Loans of the

Terminated Lender, (B) an amount equal to all unreimbursed drawings on Letters of Credit that have been funded by such Terminated Lender, together with all then unpaid interest with respect thereto at such time and (C) an amount equal to all accrued but theretofore unpaid fees owing to such Terminated Lender pursuant to Section 2.11, such amounts to be calculated based on the Dollar Equivalent thereof with respect to the Multicurrency Revolving Commitments or Hong Kong Revolving Commitments and based on the Euro Equivalent thereof with respect to the Tranche A Euro Term Loans; (2) on the date of such assignment, the applicable Borrower shall pay any amounts payable to such Terminated Lender pursuant to Section 2.18, Section 2.19 or Section 2.20 or otherwise as if it were a prepayment and (3) in the event such Terminated Lender is a Non-Consenting Lender, each Replacement Lender shall consent, at the time of such assignment, to each matter in respect of which such Terminated Lender was a Non-Consenting Lender; provided, that the applicable Borrower may not make such election with respect to any Terminated Lender that is also the Issuing Bank unless, prior to the effectiveness of such election, the applicable Borrower shall have caused each outstanding Letter of Credit issued thereby to be cancelled, replaced or Cash Collateralized. Upon the prepayment of all amounts owing to any Terminated Lender and the termination of such Terminated Lender's Revolving Commitments, if any, such Terminated Lender shall no longer constitute a "Lender" for purposes hereof; provided, that any rights of such Terminated Lender to indemnification hereunder shall survive as to such Terminated Lender. Each Lender agrees that if a Borrower exercises its option hereunder to cause an assignment by such Lender as a Terminated Lender, such Lender shall, promptly after receipt of written notice of such election, execute and deliver all documentation necessary to effectuate such assignment in accordance with Section 10.06. In the event that a Lender does not comply with the requirements of the immediately preceding sentence within one Business Day after receipt of such notice, each Lender hereby authorizes and directs the Administrative Agent to execute and deliver such documentation as may be required to give effect to an assignment in accordance with Section 10.06 on behalf of a Terminated Lender and any such documentation so executed by the Administrative Agent shall be effective for purposes of documenting an assignment pursuant to Section 10.06.

**Section 2.24 Incremental Facilities.** The Borrower Representative may by written notice to the Administrative Agent at any time after the Closing Date elect to request (A) an increase to any Class of existing Revolving Commitments (any such increase, the "Incremental Revolving Commitments") and/or (B) the establishment of one or more new term loan commitments (the "Incremental Term Loan Commitments"), by an aggregate amount not to exceed \$1,500,000,000, and, in each case, not less than \$25,000,000 individually (or such lesser amount which shall be approved by the Administrative Agent), and integral multiples of \$10,000,000 in excess of that amount. Each such notice shall specify (A) the date (each, an "Increased Amount Date") on which the Borrower Representative proposes that the Incremental Revolving Commitments or Incremental Term Loan Commitments, as applicable, shall be effective, which shall be a date (i) not less than 10 Business Days after the date on which such notice is delivered to the Administrative Agent and (ii) at least 90 days prior to the applicable Revolving Commitment Termination Date and (B) the identity of each Lender or other Person that is an Eligible Assignee (each, an "Incremental Revolving Loan Lender" or "Incremental Term Loan Lender", as applicable) to whom the Borrower Representative proposes any portion of such Incremental Revolving Commitments or Incremental Term Loan Commitments, as applicable, be allocated and the amounts of such allocations; provided that the Administrative Agent may elect or decline to arrange such Incremental Revolving Commitments or Incremental Term Loan Commitments in its sole discretion and any Lender approached to provide all or a portion of the Incremental Revolving Commitments or Incremental Term Loan Commitments may elect or decline, in its sole discretion, to provide an Incremental Revolving Commitment or an Incremental Term Loan Commitment. Such Incremental Revolving Commitments or Incremental Term Loan Commitments shall become effective as of such Increased Amount Date; provided that: (1) no Default or Event of Default shall exist on such Increased Amount Date

before or after giving effect to such Incremental Revolving Commitments or Incremental Term Loan Commitments, as applicable; (2) the Administrative Agent shall have received certified copies of resolutions of the Board of Directors of the applicable Borrower authorizing such Incremental Revolving Commitments and/or Incremental Term Loan Commitments, as applicable, and related amendments to the Loan Documents; (3) the Incremental Revolving Commitments or Incremental Term Loan Commitments, as applicable, shall be effected pursuant to one or more Joinder Agreements executed and delivered by the applicable Borrower, the Incremental Revolving Loan Lender or Incremental Term Loan Lender, as applicable, and the Administrative Agent, and each of which shall be recorded in the Register and each Incremental Revolving Loan Lender and Incremental Term Loan Lender shall be subject to the requirements set forth in Section 2.20(c); and (4) the representations and warranties contained in Article IV hereto shall be true and correct in all material respects as of such Increased Amount Date except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date (it being understood that to the extent any such representation and warranty is already qualified by materiality or material adverse effect, such representation and warranty will be true and correct in all respects); provided that, to the extent the proceeds of any Incremental Term Loans are being used to finance an investment or acquisition permitted hereunder, with the consent of the Borrower Representative and the applicable Incremental Term Loan Lender(s), clause (1) above shall be limited to the absence of the existence of any Default or Event of Default under Sections 8.01(a) or (e) and clause (4) above shall be limited to customary “specified representations” and those representations of the seller or the target company (as applicable) included in the acquisition agreement related to such investment or acquisition that are material to the interests of the applicable Incremental Term Loan Lenders and only to the extent that the Borrower Representative or its applicable Subsidiary has the right to terminate its obligations under such acquisition agreement as a result of a breach of such representations. Any Incremental Term Loans made on an Increased Amount Date shall be designated a separate series (a “Series”) of Incremental Term Loans for all purposes of this Agreement.

On any Increased Amount Date on which Incremental Revolving Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (a) each of the Lenders with Revolving Commitments of the same Class shall assign to each of the Incremental Revolving Loan Lenders, and each of the Incremental Revolving Loan Lenders shall purchase from each of such Lenders, at the principal amount thereof (together with accrued interest), such interests in the applicable Revolving Loans outstanding on such Increased Amount Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Loans will be held by existing Lenders with Revolving Commitments of the same Class and Incremental Revolving Loan Lenders ratably in accordance with their Revolving Commitments after giving effect to the addition of such Incremental Revolving Commitments to the Revolving Commitments of the applicable Class, (b) each Incremental Revolving Commitment shall be deemed for all purposes a Revolving Commitment of the applicable Class and each Loan made thereunder (an “Incremental Revolving Loan”) shall be deemed, for all purposes, a Revolving Loan of the applicable Class and (c) each Incremental Revolving Loan Lender shall become a Lender with respect to the Incremental Revolving Commitment and all matters relating thereto. In addition, each Revolving Lender agrees that the Administrative Agent may (subject to the consent of the Borrower Representative) take such additional actions as it deems reasonably necessary to effect the foregoing and such other adjustments to ensure that the Multicurrency Revolving Exposure or Hong Kong Revolving Exposure, as applicable, is allocated ratably in accordance with the applicable Revolving Commitments after giving effect to the addition of such Incremental Revolving Commitments.

On any Increased Amount Date on which any Incremental Term Loan Commitments of any Series are effective, subject to the satisfaction of the foregoing terms and conditions, (i) each Incremental Term Loan Lender of any Series shall make a Loan to the applicable Borrower (an “Incremental Term Loan”) in an amount equal to its Incremental Term Loan Commitment of such Series and (ii) each Incremental Term Loan Lender of any Series shall become a Lender hereunder with respect to the Incremental Term Loan Commitment of such Series and the Incremental Term Loans of such Series made pursuant thereto.

The Administrative Agent shall notify the Lenders promptly upon receipt of the Borrower Representative’s notice of each Increased Amount Date and in respect thereof (x) the Incremental Revolving Commitments and the Incremental Revolving Loan Lenders or the Series of Incremental Term Loan Commitments and the Incremental Term Loan Lenders of such Series, as applicable and (y) in the case of each notice to any applicable Lender with Revolving Commitments, the respective interests in such Lender’s Revolving Loans, in each case subject to the assignments contemplated by this Section 2.24.

The terms and provisions of the Incremental Term Loans and Incremental Term Loan Commitments of any Series shall be, except as otherwise set forth herein, identical to the Tranche A Euro Term Loans. The terms and provisions of the Incremental Revolving Loans shall be identical to the Revolving Loans of the same Class. In the case of any Incremental Term Loans, (i) the Weighted Average Life to Maturity of all Incremental Term Loans of any Series shall be no shorter than the remaining Weighted Average Life to Maturity of the Tranche A Euro Term Loans, (ii) the applicable Incremental Term Loan Maturity Date of each Series shall be no earlier than the final maturity of the Tranche A Euro Term Loans, and (iii) the pricing, yield, maturity and amortization (subject to the preceding clauses (i) and (ii)) applicable to the Incremental Term Loans of each Series shall be determined by the Borrower Representative and the applicable Incremental Term Loan Lenders and shall be set forth in each applicable Joinder Agreement. Any Incremental Revolving Loans will be documented solely as an increase to the Revolving Commitments of the same Class without any change in terms, other than any change that is more favorable to the Revolving Lenders and applies equally to all Revolving Loans and Revolving Commitments of the same Class. Each Joinder Agreement may, without the consent of any Lender other than the applicable Incremental Revolving Loan Lender or Incremental Term Loan Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent to effect the provisions of this Section 2.24.

#### **Section 2.25 Additional Borrowers; Appointment of Borrower Representative; Borrower Termination.**

(a) After the Closing Date, the Borrower Representative may, at any time and from time to time, after fifteen Business Days’ written notice to the Administrative Agent (the “Additional Borrower Request”), designate any Subsidiary that is organized or incorporated in (i) in the case of the Multicurrency Revolving Commitments, the United States of America, any State thereof or the District of Columbia, Australia, or the Netherlands, or (ii) in the case of the Hong Kong Revolving Commitments, Hong Kong, as a Multicurrency Borrower or a Hong Kong Borrower, as the case may be; *provided* that:

- (i) no Default or Event of Default shall exist on and as of the date of the Additional Borrower Joinder for such proposed Subsidiary becoming an Additional Borrower;
- (ii) the Administrative Agent, each Issuing Bank and the Lenders shall have received all documentation and other information regarding such Subsidiary that it has

requested of the Borrower Representative in writing no later than five Business Days after delivery of the Additional Borrower Request to the Administrative Agent by the Borrower Representative and that are required by regulatory authorities under applicable “know your customer” and anti-money laundering laws, including without limitation the USA PATRIOT Act and Beneficial Ownership Regulation;

(iii) such Subsidiary shall have delivered to the Administrative Agent a duly authorized, executed and delivered counterpart signature page to an Additional Borrower Joinder;

(iv) the Administrative Agent shall, to the extent customarily delivered by counsel to a borrower in the jurisdiction of such Subsidiary, have received, customary opinions of counsel which are reasonably satisfactory to the Administrative Agent; and

(v) the Administrative Agent shall have received, to the extent customary and applicable in the jurisdiction of the applicable Subsidiary:

- (A) corporate authorizations and constitutional documents of, and specimen signatures for, such Subsidiary, and (to the extent available) a certificate of good standing for such Subsidiary as of a recent date from the Secretary of State or similar Governmental Authority of the jurisdiction of its incorporation; and
- (B) a customary certificate of an authorized signatory of such Subsidiary certifying the copies of the foregoing documents provided by it.

Upon receipt of an Additional Borrower Request, the Administrative Agent shall promptly transmit such Additional Borrower Request to each of the Lenders under the applicable Revolving Commitments; *provided* that any failure to do so by the Administrative Agent shall not in any way affect the status of any such Subsidiary as an Additional Borrower hereunder.

Upon satisfaction of conditions specified in this Section 2.25(a), such Subsidiary shall for all purposes of this Agreement and the other Loan Documents be a Multicurrency Borrower or a Hong Kong Borrower, as applicable, and a party to this Agreement.

Each party hereto hereby agrees that the Administrative Agent and the Borrower Representative may amend this Agreement (without the consent of any other Person) to the extent necessary or appropriate, in the judgment of the Administrative Agent or the Borrower Representative, to reflect the addition of an Additional Borrower as a Borrower hereunder (including to accommodate the operational requirements of a Lender, including as may be necessary to accommodate different lending and notice requirements to act as a Lender utilizing a different lending office).

(b) A Borrower (other than the U.S. Borrower) (each, a “Resigning Borrower”) may resign and cease to be a Borrower hereunder and under the other Loan Documents upon the occurrence of, and such resignation shall effective upon, all of the following: (a) any then-outstanding Loans that were borrowed by such Resigning Borrower shall have been (x) paid in full in cash or (y) assigned to, and assumed by, another applicable Borrower as per Section 10.06, (b) any then-outstanding Letters of Credit for which such Resigning Borrower is an applicant shall have been (x) Cash Collateralized in a manner acceptable to the applicable Issuing Bank or (y) assigned in favor another applicable Borrower, and (c) such Resigning



Borrower shall have delivered to the Administrative Agent a notice of resignation stating that such Resigning Borrower resigns and ceases to be Borrower hereunder.

Upon satisfaction of conditions specified in this Section 2.25(b), such Resigning Borrower shall automatically and immediately be released from its Obligations, shall cease to be a Borrower for all purposes, shall have no liability under any Loan Documents and shall cease to be a party to all Loan Documents as a Borrower. At the request of the Borrower Representative, the Administrative Agent shall take, and the Lenders hereby authorize the Administrative Agent to take, such actions as shall be reasonably requested and customary to evidence the termination and release of such Resigning Borrower.

Each party hereto hereby agrees that the Administrative Agent and the Borrower Representative may amend this Agreement and any other Loan Document without the consent of any other Person to the extent necessary or appropriate, in the judgment of the Administrative Agent or the Borrower Representative, to reflect the resignation of the Resigning Borrower hereunder.

(c) Each Borrower hereby appoints the Borrower Representative as its agent, attorney-in-fact and representative for the purpose of (i) making any borrowing requests or other requests required under this Agreement, (ii) the giving and receipt of notices by and to Borrowers under this Agreement, (iii) the delivery of all documents, reports, financial statements and written materials required to be delivered by Borrowers under this Agreement, and (iv) all other purposes incidental to any of the foregoing. Each Borrower agrees that any action taken by the Borrower Representative as the agent, attorney-in-fact and representative of the Borrowers shall be binding upon each Borrower to the same extent as if directly taken by such Borrower.

#### **Section 2.26 Extension of Maturity Date.**

(a) The Borrower Representative may on a Business Day, not later than 30 days, and not earlier than 60 days, prior to each applicable anniversary of the Closing Date during the term of this Agreement (as may be extended from time to time pursuant to this Section 2.26) (the "Current Anniversary Date"), and not more than once in any calendar year with respect to each Revolving Commitment Termination Date and not more than twice total with respect to each Revolving Commitment Termination Date, from time to time request that the applicable Revolving Commitment Termination Date in respect of the Multicurrency Revolving Commitments and the Multicurrency Revolving Loans and/or Hong Kong Revolving Commitments and Hong Kong Revolving Loans for all Eligible Lenders (as defined below) under such credit facility be extended for a period of one year from the then-applicable Revolving Commitment Termination Date by delivering to the Administrative Agent a copy of an extension request signed by the applicable Borrower and the Borrower Representative (an "Extension Request") in substantially the form of Exhibit H hereto; provided that as of the date of any such extension of the applicable Revolving Commitment Termination Date, (i) the representations and warranties of the Loan Parties contained in Article IV are true and correct in all material respects (except those representations and warranties qualified by materiality or Material Adverse Effect, which shall be true and correct in all respects) on and as of such date, as though made on and as of such date, except to the extent that any such representation or warranty specifically relates only to an earlier date, in which case it was true and correct in all material respects (except those representations and warranties qualified by materiality or Material Adverse Effect, which shall be true and correct in all respects) as of such earlier date, and (ii) no Default or Event of Default has occurred and is continuing. The Administrative Agent shall promptly notify each applicable Revolving Lender of its receipt of such Extension Request.

(b) On or prior to the fifteenth day (the “Determination Date”) prior to the Current Anniversary Date, each Eligible Lender shall notify the Administrative Agent and the applicable Borrower of its willingness or unwillingness to consent to the applicable Extension Request. Any Eligible Lender that shall fail to so notify the Administrative Agent and the applicable Borrower, on or prior to the Determination Date, shall be deemed to have declined to so extend.

(c) In the event that, on or prior to the Determination Date, Eligible Lenders holding more than 50.0% of the aggregate principal amount of the applicable Revolving Commitments of all Eligible Lenders then in effect in respect of the applicable Revolving Commitment Termination Date shall consent to such extension (each such Lender, a “Consenting Lender”; each such event, an “Extension Approval”; and each such agreement, an “Extension Agreement”), the Administrative Agent shall so advise the applicable Revolving Lenders and the applicable Borrower and the applicable Revolving Commitment Termination Date shall be extended to the date indicated in the Extension Request with respect to such Consenting Lenders. Thereafter, (i) for each Consenting Lender, the term “Revolving Commitment Termination Date” with respect to the applicable Revolving Loans and Revolving Commitments as used herein and in any promissory note executed and delivered by the applicable Borrower pursuant to Section 2.07 hereof, shall at all times refer to such date indicated in the applicable Extension Request, unless it is later extended pursuant to this Section 2.26, and (ii) for each Lender that is not a Consenting Lender with respect to such Extension Request (each such Lender, a “Non-Extending Lender”), the term “Revolving Commitment Termination Date” with respect to the applicable Revolving Loans and Revolving Commitments held by it shall at all times refer to the date which was the Revolving Commitment Termination Date with respect thereto prior to the delivery to the Administrative Agent of such Extension Request; provided that any Non-Extending Lender (including any direct or indirect assignee of any Non-Extending Lender) may, with the written consent of the applicable Borrower, elect at any time prior to the Revolving Commitment Termination Date then applicable to its applicable Revolving Loans and Revolving Commitments to consent to the applicable Borrower’s prior Extension Requests by delivering a written notice to such effect to the applicable Borrower and the Administrative Agent, and upon the receipt by the applicable Borrower and the Administrative Agent of such notice, the Revolving Commitment Termination Date with respect to the applicable Revolving Loans and Revolving Commitments of such Non-Extending Lender shall be extended to the date indicated in the applicable Extension Requests and such Non-Extending Lender shall be deemed to be a Consenting Lender in respect of such prior Extension Requests for all purposes hereunder.

(d) In the event that, as of any Determination Date, the Consenting Lenders hold 50.0% or less of the aggregate principal amount of the applicable Revolving Loans and Revolving Commitments of all Eligible Lenders, the Administrative Agent shall so advise the applicable Lenders and the Borrower Representative, and the applicable Revolving Commitment Termination Date with respect to the applicable Revolving Loans and Revolving Commitments held by each Lender shall continue to be the date which was the applicable Revolving Commitment Termination Date immediately prior to the delivery to the Administrative Agent of such Extension Request. For purposes of this Section 2.26, the term “Eligible Lenders” means, with respect to any Extension Request related to the Multicurrency Revolving Commitments and Multicurrency Revolving Loans or Hong Kong Revolving Commitments and Hong Kong Revolving Loans, as applicable, (i) all applicable Revolving Lenders if the applicable Revolving Commitment Termination Date of no applicable Revolving Lender’s applicable Revolving Loans or Revolving Commitments had been extended pursuant to this Section 2.26 prior to the delivery to the Administrative Agent of such Extension Request, and (ii) in all other cases, those applicable Revolving Lenders which extended the applicable Revolving Commitment Termination Date of their applicable Revolving Loans and Revolving Commitments in the most recent extension of any applicable Revolving Commitment Termination Date effected pursuant to this Section 2.26.

(e) The Administrative Agent shall promptly notify the Lenders of the effectiveness of each Extension Agreement pursuant to this Section 2.26.

#### **Section 2.27 Benchmark Replacement Setting.**

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, then (A) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (B) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all affected Lenders and the Borrower Representative so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower Representative and the Lenders of (i) the implementation of any Benchmark Replacement, (ii) any occurrence of a Term CORRA Transition Event and (iii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Borrower Representative of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.27(d) and the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.27, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.27.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including any Term Benchmark) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of

Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower Representative’s receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, (i) the Borrower Representative may revoke any pending borrowing request for such Benchmark or for conversion to or continuation of such Benchmark, in each case, to be made, converted or continued during any Benchmark Unavailability Period denominated in the applicable currency and, failing that, (A) (I) in the case of any request for any affected Term SOFR Loans, if applicable, the Borrower Representative will be deemed to have converted any such request into a borrowing request for a Base Rate Loan or conversion to Base Rate Loans in the amount specified therein, and (II) in the case of any request for any affected CDO Rate Loans, if applicable, the Borrower Representative will be deemed to have converted any such request into a borrowing request for a Canadian Prime Rate Loan or conversion to Canadian Prime Rate Loans in the amount specified therein, and (B) in the case of any request for any affected RFR Loans or Term Benchmark Loans (other than Term SOFR Loans or CDO Loans), in each case, in an Alternative Currency other than Dollars or Canadian Dollars, if applicable, then such request shall be ineffective and (ii)(A) any outstanding affected Term SOFR Loans, if applicable, will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period, (C) any outstanding affected CDO Rate Loans, if applicable, will be deemed to have been converted into Canadian Prime Rate Loans at the end of the applicable Interest Period and (D) any outstanding affected RFR Loans or Term Benchmark Loans (other than Term SOFR Loans or CDO Loans), in each case, denominated in an Alternative Currency other than Dollars or Canadian Dollars, at the Borrower Representative’s election, shall either (I) be converted into Base Rate Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) immediately or, in the case of Term Benchmark Loans, at the end of the applicable Interest Period or (II) be prepaid in full immediately or, in the case of Term Benchmark Loans, at the end of the applicable Interest Period; provided that, with respect to any Daily Simple RFR Loan, if no election is made by the Borrower Representative by the date that is three Business Days after receipt by the Borrower Representative of such notice, the Borrower Representative shall be deemed to have elected clause (I) above; provided, further that, with respect to any Term Benchmark Loan, if no election is made by the Borrower Representative by the earlier of (x) the date that is three Business Days after receipt by the Borrower Representative of such notice and (y) the last day of the current Interest Period for the applicable Term Benchmark Loan, the Borrower Representative shall be deemed to have elected clause (I) above. Upon any such prepayment or conversion, the Borrower Representative shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.18. During a Benchmark Unavailability Period with respect to any Benchmark or at any time that a tenor for any then-current Benchmark is not an Available Tenor, the component of Base Rate or Canadian Prime Rate based upon the then-current Benchmark that is the subject of such Benchmark Unavailability Period or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate or Canadian Prime Rate, as applicable.

(f) **Secondary Term CORRA Conversion.** Notwithstanding anything to the contrary herein or in any Loan Document and subject to the proviso below in this clause, if a Term CORRA Transition Event and its related Term CORRA Transition Date have occurred, then on and after such Term CORRA Transition Date (i) the Benchmark Replacement described in clause (a)(ii)(A) of such definition will replace the then-current Benchmark for Loans denominated in Canadian Dollars (other than Canadian Prime Rate Loans), for all purposes hereunder or under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; and (ii) each Loan denominated in Canadian Dollars (other than Canadian Prime Rate Loans) outstanding on the Term CORRA Transition Date bearing interest based on the then-current Benchmark shall convert, on the last day of the then-current interest payment period, into a Loan bearing interest at the Benchmark Replacement described in clause (a)(ii)(A) of such definition having a tenor approximately the same length as the interest payment period applicable to such Loan immediately prior to the conversion or such other Available Tenor as may be selected by the Borrower Representative and agreed by the Administrative Agent; provided that, this clause (f) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower Representative a Term CORRA Notice.

## **Section 2.28 ESG Amendment.**

(a) The parties hereto acknowledge that the Sustainability Targets have not been determined and agreed as of the date of this Agreement. The Borrower Representative may, in its sole discretion, submit a request in writing (which may be via email) to the Administrative Agent that this Agreement be amended to incorporate one or more Sustainability Targets, which shall have been devised in consultation with the Sustainability Coordinators and may be devised with assistance from the Sustainability Assurance Provider.

(b) If the Borrower Representative elects to seek an ESG Amendment, the Administrative Agent, the Revolving Lenders and the Borrower Representative shall in good faith enter into discussions to reach an agreement in respect of the proposed Sustainability Targets and Sustainability Assurance Provider, and any proposed incentives and penalties for compliance and noncompliance, respectively, with the Sustainability Target(s), including any adjustments to the Applicable Margin for the Revolving Loans and/or the Applicable Revolving Commitment Fee Percentage (such provisions, collectively, the “ESG Pricing Provisions”); provided that the amount of any such adjustments made pursuant to an ESG Amendment shall not result in a decrease or an increase of more than (i) 0.01% in the Applicable Revolving Commitment Fee Percentage set forth in the definition of “Applicable Revolving Commitment Fee Percentage” and/or (ii) 0.05% in the spreads set forth in the definition of “Applicable Margin” for the Revolving Loans (the spreads referenced in the immediately foregoing clause (ii), the “Specified Spreads”), which pricing adjustments shall be applied in accordance with the terms as further described in the ESG Pricing Provisions; provided that (x) in no event shall any of the Specified Spreads or the Applicable Revolving Commitment Fee Percentage be less than 0% at any time and (y) for the avoidance of doubt, such pricing adjustments shall not be cumulative year-over-year, and each applicable adjustment shall only apply until the date on which the next adjustment is due to take place pursuant to the ESG Pricing Provisions. The ESG Pricing Provisions shall follow the Sustainability Linked Loan Principles, as published in March 2022, and as may be updated, revised or amended from time to time by the Loan Market Association and the Loan Syndications & Trading Association (the “SLL Principles”).

(c) Upon request of the Borrower Representative pursuant to clause (a) above, the Administrative Agent, the Borrower Representative and the Required Revolving Lenders may amend this Agreement and any other Loan Document to incorporate the ESG Pricing

Provisions, the Sustainability Targets and any other related provisions (including, without limitation, those provisions described in this Section 2.28) (each such amendment, an “ESG Amendment”). Each ESG Amendment shall:

(i) include the Sustainability Target(s) and the ESG Pricing Provisions; and

(ii) identify a sustainability assurance provider, provided that any such sustainability assurance provider shall be a qualified external reviewer, independent of the Borrower Representative and its Subsidiaries, with relevant expertise, such as an auditor, environmental consultant and/or independent rating agency of recognized national standing and consistent with the SLL Principles (the “Sustainability Assurance Provider”).

(d) An ESG Amendment (including the ESG Pricing Provisions) will become effective once the Borrower Representative, the Administrative Agent and the Required Revolving Lenders have executed such ESG Amendment.

(e) Following the effectiveness of an ESG Amendment, any amendment or other modification to the ESG Pricing Provisions which does not have the effect of reducing the Specified Spreads or the Applicable Revolving Commitment Fee Percentage to a level not otherwise permitted by this Section 2.28 shall be subject only to the consent of the Required Revolving Lenders.

As used herein, “Sustainability Targets” means specified key performance indicators with respect to certain environmental, social and governance targets of the Borrower Representative and its Subsidiaries, which shall be confirmed by the Borrower Representative as being consistent with the SLL Principles.

### ARTICLE III. CONDITIONS PRECEDENT

**Section 3.01 Closing Date.** The obligation of each Lender to make a Credit Extension under this Agreement on the Closing Date is subject only to the satisfaction (or waiver) of the following conditions precedent.

(a) Loan Documents. The Administrative Agent shall have received this Agreement executed and delivered by each applicable Loan Party and each Lender, each Issuing Bank and each Swing Line Lender.

(b) Organizational Documents; Incumbency. The Administrative Agent shall have received in relation to each Loan Party (1) copies of each Organizational Document and, to the extent applicable, certified as of a recent date by the appropriate governmental official; (2) corporate or entity certificates incorporating, without limitation, signature and, to the extent applicable, incumbency certificates of the officers, managers, members and/or directors of such Person executing the Loan Documents to which it is a party; (3) to the extent applicable, resolutions of the Board of Directors (which, in the case of the Euro Borrower, shall be its board of managing directors, and, in the case of the Hong Kong Borrower, shall be its board resolutions) approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified (to the extent required under applicable law or customary in accordance with local law or practice) as of the Closing Date by its secretary, its assistant secretary, director or any other competent officer or appropriate person as being in full force and effect without modification or amendment; (4) to the extent required under applicable

law, the relevant entity's Organizational Documents or internal regulations or, customary in accordance with local law or practice, a copy of resolutions from the general meeting of shareholders or its partners approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified as of the Closing Date by its secretary, its assistant secretary, director or any other competent officer or appropriate person as being in full force and effect without modification or amendment; (5) to the extent required under applicable law or customary in accordance with local law or practice, a good standing certificate from the applicable Governmental Authority of its jurisdiction of incorporation, organization or formation, dated a recent date prior to the Closing Date; (6) in the case of the Hong Kong Borrower, its business registration certificate; and (7) in the case of any Borrower organized in the Netherlands, if applicable, a positive or neutral advice from each relevant works council which, if conditional, contains conditions which can reasonably be complied with, including the request for advice or a certificate from an officer of such Borrower representing that no works council has jurisdiction in respect of any of the transactions contemplated by the Loan Documents.

(c) Material Adverse Effect. Since January 30, 2022, there shall not have occurred any Material Adverse Effect.

(d) Existing Indebtedness. The Administrative Agent shall have received customary payoff letters confirming the repayment in full of the Indebtedness outstanding under the Existing Credit Agreement and the termination or release of all Liens (if any) with respect thereto, which repayment and release (if any) may be substantially concurrently with any Credit Extension made hereunder on the Closing Date.

(e) [Reserved].

(f) Financial Statements. The Administrative Agent shall have received from the U.S. Borrower the Historical Financial Statements, it being acknowledged and agreed that the U.S. Borrower's filing of such Historical Financial Statements with the SEC at the time such information or document becomes available on EDGAR, satisfies the requirements under this Section 3.01(f).

(g) Opinions of Counsel to Loan Parties. The Agents and the Lenders and their respective counsel shall have received executed copies of the favorable written opinions of Wachtell, Lipton, Rosen & Katz, as New York counsel to the Loan Parties, Potter Anderson & Corroon LLP, as Delaware counsel to the Loan Parties, DLA Piper Nederland N.V., as Dutch counsel to the Loan Parties, Hogan Lovells, as Hong Kong counsel to the Loan Parties, Clifford Chance, as Australian counsel to the Loan Parties, Mark D. Fischer, as general counsel of the U.S. Borrower, Yu Lian de Bakker, as internal counsel to the Euro Borrower and Carmen Lee, as associate general counsel of the Hong Kong Borrower, in each case as to such matters as are customary for financings of this type, dated as of the Closing Date and otherwise in form and substance reasonably satisfactory to the Administrative Agent (and each Loan Party hereby instructs such counsel to deliver such opinions to the Agents and the Lenders).

(h) Fees. The U.S. Borrower shall have paid, or substantially concurrently with the initial funding hereunder will pay, all fees and reasonable expenses (including, without limitation, legal fees and expenses) of the Arrangers, the Administrative Agent and the Lenders as and to the extent (1) required pursuant to the terms of any applicable commitment or fee letters and (2) invoiced to the U.S. Borrower at least two Business Days prior to the Closing Date.

(i) [Reserved].

(j) Solvency Certificate. The Administrative Agent shall have received a Solvency Certificate from the U.S. Borrower substantially in the form of Exhibit E-2.

(k) [Reserved].

(l) Closing Date Certificate. The Borrower Representative shall have delivered to the Administrative Agent an executed Closing Date Certificate, together with all attachments thereto, and which shall include certifications to the effect that each of the conditions precedent described in this Section 3.01 and in Sections 3.02(a)(iii) and (iv) shall have been satisfied on the Closing Date (except that no opinion need be expressed as to Administrative Agent's or Required Lenders' satisfaction with any document, instrument or other matter); and

(m) Bank Regulatory Information. To the extent requested in writing to the U.S. Borrower at least five Business Days prior to the Closing Date, the Lenders shall have received at least three Business Days prior to the Closing Date all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the PATRIOT Act. At least three Business Days prior to the Closing Date (to the extent reasonably requested in writing at least five Business Days prior to the Closing Date), any Borrower that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall deliver a Beneficial Ownership Certification in relation to such Borrower.

### **Section 3.02 Conditions to Each Credit Extension.**

(a) Conditions Precedent. The obligation of each Lender to make any Loan, or each Issuing Bank to issue any Letter of Credit, on any Credit Date (including with respect to the obligation of each Lender to make a Credit Extension on the Closing Date but except with respect to the incurrence of Incremental Term Loan Commitments and Incremental Term Loans, as provided in the applicable Joinder Agreement) are subject to the satisfaction, or waiver in accordance with Section 10.05, of the following conditions precedent:

(i) the Administrative Agent shall have received a fully executed and delivered Borrowing Notice or Issuance Notice, as the case may be;

(ii) with respect to the making of any Revolving Loan, after making the Credit Extensions requested on such Credit Date, (x) the Total Utilization of Multicurrency Revolving Commitments shall not exceed the Multicurrency Revolving Commitments then in effect, (y) the Revolving Loans in any Alternative Currency shall not exceed the Applicable Revolving Sublimit then in effect, and (z) the Total Utilization of Hong Kong Revolving Commitments shall not exceed the Hong Kong Revolving Commitments then in effect, in each case, as applicable;

(iii) as of such Credit Date, the representations and warranties contained herein (other than, in the case of any Credit Extension after the Closing Date, the representations and warranties contained in Sections 4.09 and 4.10) and in the other Loan Documents shall be true and correct in all material respects on and as of that Credit Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided, that to the extent any such representation or



warranty is already qualified by materiality or Material Adverse Effect, such representation or warranty shall be true and correct in all respects; and

(iv) as of such Credit Date, no event shall have occurred and be continuing or would result from the consummation of the applicable Credit Extension that would constitute a Default or an Event of Default.

(b) **Notices.** Any Notice shall be executed by an Authorized Officer of the Borrower Representative or the applicable Borrower in a writing delivered to the Administrative Agent.

#### **ARTICLE IV. REPRESENTATIONS AND WARRANTIES**

In order to induce the Lenders and the Issuing Bank to enter into this Agreement and to make each Credit Extension to be made thereby, the U.S. Borrower and each other Loan Party, (a) in the case of each Loan Party (other than the U.S. Borrower) solely with respect to itself and (b) in the case of the U.S. Borrower, except with respect to Sections 4.11, 4.12, 4.13, 4.15, 4.19 and 4.20, solely with respect to itself, represents and warrants to each Lender and the Issuing Bank, on the Closing Date and on each Credit Date (other than with respect to the representations and warranties contained in Sections 4.09 and 4.10, each Credit Date after the Closing Date) that the following statements are true and correct:

**Section 4.01 Organization; Requisite Power and Authority; Qualification.** Each of the Loan Parties (a) is duly organized, duly incorporated or formed, (b) is validly existing and, if applicable, in good standing under the laws of its jurisdiction of organization, (c) has all requisite power and authority (i) to enter into the Loan Documents to which it is a party and (ii) except where failure to have such power and authority would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, to own and operate its properties and assets and to carry on its business as now conducted, and (d) is qualified to do business and, if applicable, in good standing in every jurisdiction where any material portion of its assets are located and wherever necessary to carry out its material business and operations, except where the failure to be so qualified would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 4.02 [Reserved].**

**Section 4.03 Due Authorization.** The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party have been duly authorized by all necessary action on the part of each such Loan Party.

**Section 4.04 No Conflicts.** The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not (a) violate (i) any provision of any law or any governmental rule or regulation applicable to any such Loan Party or (ii) any of the Organizational Documents of any such Loan Party, except in the case of clause (a)(i) to the extent any such violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (b) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Contractual Obligation of such Loan Party except to the extent such conflict, breach or default would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; or (c) result in or require the creation or imposition of any Lien upon any of the properties or assets of such Loan Party (other than any Liens permitted by Section 6.02).

**Section 4.05 Governmental Consents.** The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party and the incurrence by the Loan Parties of their Obligations thereunder and the issuance of Letters of Credit do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority except for (i) those that have been obtained or made and are in full force and effect, and (ii) those the failure of which to obtain or make, would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 4.06 Binding Obligation.** Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and, assuming due execution by each of the other parties to such Loan Document, is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as may be limited by (i) public policy or bankruptcy, insolvency (including ipso facto stay provisions pursuant to the Australian Ipso Facto Amendment), fraudulent transfer, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally, (ii) equitable principles relating to enforceability (whether considered at a proceeding in law or in equity) or (iii) any general rules of law referred to in any legal opinion provided to any Agent or any Lender (or its respective counsel) with respect to such Loan Document pursuant to this Agreement or any other Loan Document.

**Section 4.07 Historical Financial Statements.** The Historical Financial Statements of the U.S. Borrower were prepared in conformity with GAAP and fairly present, in all material respects, the consolidated financial position, of the U.S. Borrower and its consolidated Subsidiaries, as of the dates thereof and their consolidated results of operations and cash flows, for the periods then ended.

**Section 4.08 [Reserved].**

**Section 4.09 No Material Adverse Change.** Since January 30, 2022, no event, circumstance or change has occurred that has caused, either individually or in the aggregate, a Material Adverse Effect.

**Section 4.10 Adverse Proceedings, Etc.** There are no Adverse Proceedings pending or, to the knowledge of any Authorized Officer of any Borrower, threatened in writing, that would reasonably be expected to have a Material Adverse Effect.

**Section 4.11 Payment of Taxes.** All material Tax returns and reports of the Group required to be filed by any of them have been accurately and timely filed, and any Taxes required to have been paid by the Group have been paid, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which reserves or other appropriate provisions, if any, have been made in accordance with GAAP or (b) to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

**Section 4.12 Properties.**

(a) **Title.** Each Group Member has good title to, or valid leasehold interests in, all its real and personal property material to the operation of its business except for minor defects in title that do not materially interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes or as would not reasonably be expected to have a Material Adverse Effect.

(b) Each of Group Member owns, or is licensed to use, all Material Intellectual Property and the use thereof by the Group Members does not infringe upon the rights of any other person except as would not reasonably be expected to have a Material Adverse Effect.

**Section 4.13 Environmental Matters.** Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (a) each Group Member is in compliance with all applicable Environmental Laws; (b) each Group Member has obtained and maintained in full force and effect all Governmental Authorizations required pursuant to Environmental Laws for the operation of their respective business; (c) there are no conditions, occurrences, violations of Environmental Law, or presence or Releases of Hazardous Materials which would reasonably be expected to form the basis of an Environmental Claim against any Group Member or related to any Real Estate Assets; and (d) there are no pending Environmental Claims against any Group Member, and no Group Member has received any written notification of any alleged violation of, or liability pursuant to, Environmental Law or responsibility for the Release or threatened Release of, or exposure to, any Hazardous Materials.

**Section 4.14 No Defaults.** No Default or Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of any Credit Extension or performance of any transaction under the Loan Documents.

**Section 4.15 Governmental Regulation.** No Group Member is subject to regulation under the Investment Company Act of 1940. No Group Member is a “registered investment company” as defined in the Investment Company Act of 1940.

**Section 4.16 Margin Stock.** No part of the proceeds of the Loans will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any purpose that violates, or is inconsistent with, the provisions of Regulation T, U or X of the Board of Governors.

**Section 4.17 Employee Benefit Plans.** Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (i) each Employee Benefit Plan is in compliance with such Employee Benefit Plan’s terms and the applicable provisions of ERISA and the Internal Revenue Code and the regulations and published interpretations thereunder, (ii) each Foreign Plan is in compliance with applicable laws and regulations thereunder, and (iii) no ERISA Event has occurred or is reasonably expected to occur.

**Section 4.18 Solvency.** On the Closing Date, the U.S. Borrower and each of its Subsidiaries are, on a consolidated basis, Solvent.

**Section 4.19 Compliance with Statutes, Etc.** Each Group Member is in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in respect of the conduct of its business and the ownership of its assets and property (but excluding any Environmental Laws, which are subject to Section 4.13), except such non-compliance that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. As of the Closing Date, to the knowledge of each Borrower, the information included in the Beneficial Ownership Certification is true and correct in all material respects.

**Section 4.20 Disclosure.** No representation or warranty of any Loan Party contained in any Loan Document and made on or after the Closing Date or in any other documents, certificates or written statements furnished to any Agent or Lender by any Group Member (or by its agents on its behalf) for use in connection with the Transactions contains, when considered together with the information in the U.S. Borrower’s annual report on Form 10-K for Fiscal Year

ended January 30, 2022 and the U.S. Borrower's quarterly reports on Form 10-Q for the Fiscal Quarters ended May 1, 2022 and July 31, 2022, as applicable, at the time furnished any untrue statement of a material fact or omits to state a material fact (known to it, or to the U.S. Borrower in the case of any document not furnished by it) necessary in order to make the statements contained herein or therein (when furnished and taken as a whole) not materially misleading in light of the circumstances in which the same were made. Any projections and *pro forma* financial information contained in such materials are based upon good faith estimates and assumptions believed by the U.S. Borrower to be reasonable at the time made, it being recognized by Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

**Section 4.21 Centre of Main Interests and Establishments.** Each Loan Party whose jurisdiction of incorporation is in a member state of the European Union has its "centre of main interest" (as that term is used in Article 3(1) of Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings (recast) (the "Regulation") in its jurisdiction of incorporation and has no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

**Section 4.22 FCPA and Sanctions.** To the knowledge of the U.S. Borrower, neither the U.S. Borrower nor any of its Subsidiaries nor any of their respective directors or senior officers is a Sanctioned Person. No part of the proceeds of the Loans shall be used directly or, to the knowledge of the U.S. Borrower, indirectly, in a manner that would violate the Foreign Corrupt Practices Act of 1977 or applicable Sanctions. To the extent applicable, each Loan Party is in compliance, in all material respects, with (a) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto and (b) the PATRIOT Act.

## **ARTICLE V. AFFIRMATIVE COVENANTS**

Each Loan Party covenants and agrees that, so long as any Commitment is in effect and until Payment in Full of the Obligations under the Loan Documents, such Loan Party shall:

**Section 5.01 Compliance with Laws, Etc.** Comply, and cause each of its Subsidiaries to comply, except where the failure to so comply would not reasonably be expected to have a Material Adverse Effect, with all applicable laws, rules, regulations and orders, including, without limitation, ERISA, Environmental Laws and the PATRIOT Act.

**Section 5.02 Payment of Taxes, Etc.** Pay and discharge, and cause each of its Subsidiaries to pay and discharge, before the same shall become delinquent, all Taxes imposed upon it or upon its property; provided, however, that neither the U.S. Borrower nor any of its Subsidiaries shall be required to pay or discharge any such Tax (i) that is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained in accordance with GAAP or (ii) if the failure to pay or discharge such Tax would not be reasonably expected to have a Material Adverse Effect.

**Section 5.03 Maintenance of Insurance.** In the case of the Borrower Representative, maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is (i) commercially reasonable in the good faith judgment of the management of the Borrower Representative and (ii) either consistent with past practices or in such amounts and covering such risks as is usually carried by companies engaged in similar

businesses or owning similar properties in the same general areas in which such Loan Party operates; provided, however, that the Loan Parties may self-insure to the extent deemed commercially reasonable in the good faith judgment of the management of the Borrower Representative.

**Section 5.04 Preservation of Existence, Etc..** Preserve and maintain and cause each of its Subsidiaries to preserve and maintain its corporate or other organizational existence, rights (charter and statutory) and franchises; provided, however, that the Loan Parties and their Subsidiaries may consummate any merger or consolidation not prohibited under Section 6.02; and provided, further, that no Loan Party nor its Subsidiaries shall be required to preserve its existence or any of its rights or franchises if the management of the U.S. Borrower shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Loan Parties and their Subsidiaries, taken as a whole, or if the failure to preserve such existence, right or franchise would not reasonably be expected to have a Material Adverse Effect.

**Section 5.05 Visitation Rights.** At any reasonable time and from time to time, permit the Administrative Agent or any of the Lenders or any agents or representatives thereof, to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Loan Parties and any of their Subsidiaries, and to discuss the affairs, finances and accounts of the U.S. Borrower and any of its Subsidiaries with any of their officers or directors and with their independent certified public accountants.

**Section 5.06 Keeping of Books.** Keep, and cause each of its Subsidiaries to keep, proper books of record and account in conformity with GAAP.

**Section 5.07 Maintenance of Properties, Etc.** Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its properties (including Intellectual Property) that are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted, in each case except where the failure to so maintain and preserve would not reasonably be expected to have a Material Adverse Effect.

**Section 5.08 Reporting Requirements.** Furnish to the Administrative Agent for prompt distribution to the Lenders:

(a) as soon as available and in any event within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year (giving effect to any extensions permitted by the SEC), the consolidated balance sheet of the Group as of the end of such Fiscal Quarter and consolidated statements of income and cash flows of the Group for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, duly certified (subject to year-end audit adjustments) by the Financial Officer as having been prepared in accordance with GAAP and a Compliance Certificate by the Financial Officer as to compliance with the terms of this Agreement and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 6.04; provided that in the event of any change in GAAP used in the preparation of such financial statements, the Borrower Representative shall also provide, if necessary for the determination of compliance with Section 6.04, a statement of reconciliation conforming such financial statements to GAAP;

(b) as soon as available and in any event within 90 days after the end of each Fiscal Year (giving effect to any extensions permitted by the SEC), a copy of the annual audit report for such year for the Group, containing the consolidated balance sheet of the Group as of the end of such Fiscal Year and consolidated statements of income and cash flows of the Group for such Fiscal Year, in each case accompanied by an audit opinion by Ernst & Young LLP or other independent public accountants of national standing or otherwise acceptable to the Required

Lenders, which report shall be unqualified as to the scope of audit and shall state that such financial statements present fairly in all material respects the financial condition as at the end of such Fiscal Year, and a Compliance Certificate by the Financial Officer as to compliance with the terms of this Agreement and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 6.04; provided that in the event of any change in GAAP used in the preparation of such financial statements, the Borrower Representative shall also provide, if necessary for the determination of compliance with Section 6.04, a statement of reconciliation conforming such financial statements to GAAP;

(c) as soon as possible and in any event within five days after an officer of the U.S. Borrower obtains knowledge of the occurrence of any Default or, to the extent the related Default was not previously disclosed pursuant to this clause (c), an Event of Default, continuing on the date of such statement, a statement of an officer of the U.S. Borrower setting forth details of such Default or Event of Default and the action that the U.S. Borrower has taken and proposes to take with respect thereto;

(d) promptly after the sending or filing thereof, copies of all reports that the U.S. Borrower sends to any of its security holders, and copies of all reports and registration statements that the U.S. Borrower or any Subsidiary files with the SEC or any national securities exchange;

(e) promptly after the commencement thereof, notice of all actions and proceedings before any court, governmental agency or arbitrator affecting the U.S. Borrower or any of its Subsidiaries of the type described in Section 4.10; and

(f) prompt notice of any change in the Public Debt Rating and such other information respecting the U.S. Borrower or any of its Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request.

Any information or document that is required to be delivered to the Administrative Agent pursuant to this Section 5.08(f) shall be deemed delivered to the Administrative Agent and the Lenders upon the filing of such information with the SEC at the time such information or document becomes available on EDGAR; provided that the U.S. Borrower gives timely notice to the Administrative Agent of the filing thereof.

**Section 5.09 Transactions with Affiliates.** Conduct, and cause each of its Subsidiaries to conduct, all transactions otherwise permitted under this Agreement with any of their Affiliates on terms that, in the good faith judgment of the management of the Borrower Representative, are fair and reasonable and no less favorable to such Loan Party than it would obtain in a comparable arm's length transaction with a Person not an Affiliate; provided that the foregoing restriction shall not apply to (a) transactions between or among the U.S. Borrower and any of its Subsidiaries or between and among any Subsidiaries, (b) the payment of reasonable fees and out-of-pocket costs to directors, and compensation and employee benefit arrangements paid to, and indemnities provided for the benefit of, directors, officers or employees of the U.S. Borrower or any of its Subsidiaries or (c) any issuances of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment agreements, stock options and stock ownership plans approved by the U.S. Borrower's Board of Directors.

**Section 5.10 AML Laws; FCPA and Sanctions.** (i) Use the proceeds of the Loans only for the purposes set forth in Section 2.06; and (ii) not request any Credit Extension or Letter of Credit, and not lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person which uses such proceeds for the purpose of funding activities or business directly, or to the knowledge of the Borrower or such Subsidiary, indirectly (A) in violation of AML Laws, (B) in furtherance of an offer, payment, promise to pay, or

authorization of the payment or giving of money, or anything else of value, to any Person in violation of the Foreign Corrupt Practices Act of 1977 or (C) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country to the extent such activities, businesses or transaction would be prohibited for a Person required to comply with Sanctions.

**Section 5.11 Further Assurances.** At any time or from time to time upon the request of the Administrative Agent, at the expense of the Loan Parties, promptly execute, acknowledge and deliver such further documents and do such other acts and things as the Administrative Agent may reasonably request in order to effect fully the purposes of the Loan Documents.

## **ARTICLE VI. NEGATIVE COVENANTS**

Each Loan Party covenants and agrees that, so long as any Commitment is in effect and until Payment in Full of the Obligations under the Loan Documents, such Loan Party shall not, and, in the case of Section 6.01 and Section 6.03, shall cause each of its Subsidiaries not to:

**Section 6.01 Liens.** Create, incur or assume any Lien on or with respect to any property or asset of any kind (including any document or instrument in respect of goods or accounts receivable) of any Loan Party or any of its Subsidiaries, whether now owned or hereafter acquired or licensed, or any income, profits or royalties therefrom, except:

(a) Permitted Liens;

(b) Liens securing obligations under Finance Leases;

(c) purchase money Liens upon or in any real property or equipment acquired or held by the U.S. Borrower or any Subsidiary in the ordinary course of business to secure the purchase price of such property or equipment or to secure Indebtedness incurred solely for the purpose of financing the acquisition of such property or equipment, or Liens existing on such property or equipment at the time of its acquisition (other than any such Liens created in contemplation of such acquisition that were not incurred to finance the acquisition of such property) or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount, provided, however, that no such Lien shall extend to or cover any properties of any character other than the real property or equipment being acquired, and no such extension, renewal or replacement shall extend to or cover any properties not theretofore subject to the Lien being extended, renewed or replaced;

(d) the Liens existing on the Closing Date and described on Schedule 6.01(d);

(e) Liens on property of a Person existing at the time such Person is merged into or consolidated with the U.S. Borrower or any Subsidiary of the U.S. Borrower or becomes a Subsidiary of the U.S. Borrower and Liens on assets existing at the time such assets are acquired by the U.S. Borrower or any Subsidiary of the U.S. Borrower; provided that such Liens were not created in contemplation of such merger, consolidation or acquisition and do not extend to any assets other than those of the Person so merged into or consolidated with the U.S. Borrower or such Subsidiary or acquired by the U.S. Borrower or such Subsidiary;

(f) Liens securing any Loans, reimbursements of amounts drawn under Letters of Credit, or any other Obligations;

(g) Liens not otherwise permitted by this Section 6.01 securing Indebtedness or other obligations of the U.S. Borrower and its Subsidiaries; provided that the aggregate principal amount of all such Indebtedness and other obligations, together with any Indebtedness incurred under Section 6.03(n), does not exceed an amount equal to 12.5% of Consolidated Net Worth of the U.S. Borrower and its Subsidiaries at the time of creation, incurrence or assumption of such Indebtedness or other obligation; and

(h) the replacement, extension or renewal of any Lien permitted by clause (c) or (d) above upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor) of the Indebtedness or other obligations secured thereby.

**Section 6.02 Mergers, Etc.** Allow any Borrower to merge or consolidate with or into any Person, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets (whether now owned or hereafter acquired) of the U.S. Borrower and its Subsidiaries taken as a whole to any Person, except that (a) any Borrower may merge or consolidate with any other Person so long as such Borrower is the surviving Person and (b) the following shall be permitted:

(i) In the case of the U.S. Borrower, (A) the Person formed by such consolidation or into which the U.S. Borrower is merged, or the acquiring Person, is a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, (B) such Person expressly assumes, pursuant to an instrument executed and delivered to the Administrative Agent, and in form and substance reasonably satisfactory to the Administrative Agent, the U.S. Borrower's obligations for the due and punctual payment of the Obligations and the performance of every covenant, in each case, under the Loan Documents on the part of the U.S. Borrower to be performed, (C) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing and (D) each Lender shall have received have received, at least three Business Days prior to the consummation of such transaction, (I) all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the PATRIOT Act and (II) if the successor U.S. Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to such Borrower; and

(ii) In the case of any Other Borrower, (A) the Person formed by such consolidation or into which such Borrower is merged, or the acquiring Person, is a Person organized and existing under (I) in the case of any Multicurrency Borrower, the laws of the United States of America, any State thereof or the District of Columbia, Australia, or the Netherlands and (II) in the case of any Hong Kong Borrower, Hong Kong, (B) such Person expressly assumes, pursuant to an instrument executed and delivered to the Administrative Agent, and in form and substance reasonably satisfactory to the Administrative Agent, such Borrower's obligations for the due and punctual payment of the Obligations and the performance of every covenant, in each case, under the Loan Documents on the part of such Borrower to be performed, (C) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing and (D) each Lender shall have received have received, at least three Business Days prior to the consummation of such transaction, (I) all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the PATRIOT Act and (II) if the successor Borrower qualifies as a "legal



entity customer” under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to such Borrower.

**Section 6.03 Indebtedness.** Allow any Subsidiary of the U.S. Borrower to, create, incur, assume or guaranty, or otherwise become liable with respect to any Indebtedness, except:

- (a) unsecured Indebtedness owing to the U.S. Borrower or any of its Subsidiaries;
- (b) Indebtedness listed on Schedule 6.03(b) (the “Existing Subsidiary Debt”), which shall include any available and undrawn commitments thereunder, and any Indebtedness extending the maturity of, or replacing, refunding, renewing or refinancing, in whole or in part, the Existing Subsidiary Debt; provided, that the principal amount of such Existing Subsidiary Debt shall not be increased above the principal amount thereof outstanding immediately prior to such extension, replacement, refunding, renewal or refinancing (except by an amount equal to any existing commitments utilized thereunder and in respect of unpaid premiums (if any), unpaid interest (including post-petition interest) and fees, expenses and charges resulting from any such extension, replacement, refunding, renewal or refinancing) as a result of or in connection with such extension, replacement, refunding, renewal or refinancing;
- (c) guarantees by any Subsidiary in respect of Indebtedness of any other Subsidiary otherwise permitted under this Section 6.03;
- (d) Indebtedness representing deferred compensation or similar obligations to employees incurred in the ordinary course of business;
- (e) any Indebtedness of (A) a Person that becomes a Subsidiary of the U.S. Borrower to the extent such Indebtedness exists at the time such Person becomes a Subsidiary of the U.S. Borrower and is not created in contemplation of or in connection with such Person becoming a Subsidiary of the U.S. Borrower and (B) a Subsidiary of the U.S. Borrower to the extent such Indebtedness is assumed in connection with an acquisition made by such Subsidiary and is not created in contemplation of such acquisition; provided, however, that such Indebtedness shall not be guaranteed by any Subsidiary other than the acquired Subsidiary and its Subsidiaries unless such Subsidiary is a Guarantor;
- (f) any guarantees for the Loans, reimbursement obligations under Letters of Credit or any other Obligations under or in connection with the Loan Documents;
- (g) endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business;
- (h) Indebtedness under Finance Leases;
- (i) unsecured obligations due to vendors under any vendor factoring line;
- (j) obligations in respect of letters of credit entered into in the ordinary course of business;
- (k) obligations under Hedge Agreements entered into for bona fide hedging purposes and not for speculative purposes;
- (l) any liability arising under a declaration of joint and several liability used for the purpose of section 2:403 Dutch Civil Code (and any residual liability under such declaration arising pursuant to section 2:404(2) Dutch Civil Code);

(m) any liability arising as a result of two or more Group Members being part of a fiscal unity (*fiscale eenheid*) for Dutch Tax purposes;

(n) other Indebtedness of the applicable Subsidiaries that, together with the amount of Indebtedness and other obligations secured by Liens permitted under Section 6.01(g), does not exceed 12.5% of Consolidated Net Worth of the U.S. Borrower and its Subsidiaries at the time of creation, incurrence or assumption of such Indebtedness;

(o) any Indebtedness under this Agreement or any other Loan Documents;

(p) Indebtedness under any Cash Management Agreement or Treasury Transaction;

(q) any Indebtedness of a Subsidiary Guarantor until such time as such Subsidiary is no longer a Subsidiary Guarantor; provided that, from and after the date that such Subsidiary ceases to be a Subsidiary Guarantor (until the date, if any, that such Subsidiary again becomes a Subsidiary Guarantor), such Subsidiary shall not be permitted to incur or have outstanding any Indebtedness under this clause (q);

(r) in case of a Group Member organized in Australia, any Indebtedness, guarantee or liability arising pursuant to Part 2M.6 of the Australian Corporations Act where the only members of the class order are Group Members organized in Australia; and

(s) in case of a Group Member organized in Australia, any Indebtedness, guarantee or liability arising under or in connection with any Tax in Australia or Australian GST consolidation arrangements not restricted hereunder.

**Section 6.04 Financial Covenant.** In the case of the U.S. Borrower, permit the Net Leverage Ratio as of the last day of the first Fiscal Quarter in which the Closing Date occurs and any Fiscal Quarter thereafter to exceed (i) if such day occurs during an Acquisition Period, 4.50 to 1.00 or (ii) if such day does not occur during an Acquisition Period, 4.00:1.00.

Notwithstanding anything herein to the contrary, at any time after the definitive agreement for any Qualifying Acquisition has been executed (or, in the case of a Qualifying Acquisition in the form of a tender offer or similar transaction, after the offer shall have been launched) and prior to the consummation of such Qualifying Acquisition (or termination of the definitive documentation in respect thereof (or such earlier date as such Indebtedness ceases to constitute Acquisition Debt)), any Acquisition Debt (and the proceeds thereof) shall be excluded from the calculation of the Net Leverage Ratio.

## ARTICLE VII. GUARANTY

### Section 7.01 Guaranty of the Obligations.

(a) Subject to the provisions of Section 7.02, each Guarantor, jointly and severally, hereby irrevocably and unconditionally guaranties to the Administrative Agent for the ratable benefit of the Guaranteed Parties the due and punctual Payment in Full of all Obligations of the Other Borrowers (and, in the case of the U.S. Borrower, all Obligations of any Subsidiary (such Subsidiary, “Applicable Subsidiary”) arising under any Hedge Agreement, Cash Management Agreement or Treasury Transaction) and each Subsidiary Guarantor, jointly and severally, hereby unconditionally guaranties to the Administrative Agent for the ratable benefit of the Guaranteed Parties the due and punctual Payment in Full of all Obligations of the U.S. Borrower, in each case, when the same shall become due, whether at stated maturity, by required

prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a) or any comparable provision of any other Debtor Relief Law) (the “Guaranteed Obligations”).

(b) At any time after the Closing Date, the Borrower Representative may, at its option, cause a Subsidiary of the U.S. Borrower (other than a Foreign Subsidiary or a CFC Holdco) to guarantee the Obligations of the Borrowers hereunder by delivering to the Administrative Agent a Counterpart Agreement pursuant to which such Subsidiary shall become a “Subsidiary Guarantor” for all purposes under this Agreement and each other Loan Document and shall be bound by all of the obligations and shall have all rights of a “Subsidiary Guarantor” under this Agreement and each other Loan Document including, without limitation, providing the guarantee of the Guaranteed Obligations as set forth in this Article VII.

#### **Section 7.02 Limitation on Liability; Contribution by Guarantors.**

(a) Notwithstanding the foregoing, each Guarantor, and by acceptance of the benefits hereof, the Administrative Agent and each other Guaranteed Party, hereby confirms that it is the intention of all such Persons that each Guaranty and the Guaranteed Obligations of each Guarantor hereunder not constitute a fraudulent conveyance for purposes of the Bankruptcy Code or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to each Guaranty and the Guaranteed Obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Administrative Agent and the Lenders hereby irrevocably agree that the Guaranteed Obligations of each Guarantor hereunder at any time shall be limited to the maximum amount as will result in the Guaranteed Obligations of such Guarantor hereunder not constituting a fraudulent transfer or conveyance.

(b) The U.S. Borrower and each Subsidiary Guarantor (if any) (the “Contributing Guarantors”) desire to allocate among themselves, in a fair and equitable manner, the Guaranteed Obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a “Funding Guarantor”) under this Guaranty such that its Aggregate Payments exceed its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other applicable Contributing Guarantors in an amount sufficient to cause each such Contributing Guarantor’s Aggregate Payments to equal its Fair Share as of such date. “Fair Share” means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Contributing Guarantor to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors multiplied by (b) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under this Guaranty in respect of the Guaranteed Obligations. “Fair Share Contribution Amount” means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under this Guaranty that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of any Debtor Relief Law; provided, that solely for purposes of calculating the Fair Share Contribution Amount with respect to any Contributing Guarantor for purposes of this Section 7.02, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. “Aggregate Payments” means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date

by such Contributing Guarantor in respect of this Guaranty (including in respect of this Section 7.02), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other applicable Contributing Guarantors as contributions under this Section 7.02. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among the applicable Contributing Guarantors of their obligations as set forth in this Section 7.02 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 7.02.

### **Section 7.03 Payment by Guarantors.**

Subject to Section 7.02, the U.S. Borrower and the other Guarantors hereby, jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Guaranteed Party may have at law or in equity against any of them by virtue hereof, that upon the failure of any Borrower (or, with respect to the U.S. Borrower's Guaranty, any Applicable Subsidiary) to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a), or any comparable provision of any other Debtor Relief Law), the U.S. Borrower and the other Guarantors, as applicable, shall upon demand pay, or cause to be paid, in cash, to the Administrative Agent for the ratable benefit of the Guaranteed Parties, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for any Borrower's (or, with respect to the U.S. Borrower's Guaranty, any Applicable Subsidiary's) becoming the subject of a case under the Bankruptcy Code or any other Debtor Relief Law, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against such Borrower or such Applicable Subsidiary for such interest in the related bankruptcy case or analogous proceeding under any Debtor Relief Law) and all other Guaranteed Obligations then owed to the Guaranteed Parties as aforesaid.

**Section 7.04 Liability of Guarantors Absolute.** Each Guarantor agrees that, to the maximum extent permitted by applicable law, its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a Guarantor or surety other than Payment in Full of the applicable Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees, to the maximum extent permitted by applicable law, as follows:

- (a) this Guaranty is a guaranty of payment when due and not of collectability;
- (b) this Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;
- (c) the Administrative Agent may enforce this Guaranty upon the occurrence of an Event of Default notwithstanding the existence of any dispute between any Borrower or any Applicable Subsidiary and any Guaranteed Party with respect to the existence of such Event of Default;
- (d) the obligations of each Guarantor hereunder are independent of the obligations of each applicable Borrower or any Applicable Subsidiary and the obligations of any other guarantor (including any other Guarantor) of the obligations of each applicable Borrower or each Applicable Subsidiary, and a separate action or actions may be brought and prosecuted

against such Guarantor whether or not any action is brought against such Borrower or such Applicable Subsidiary or any of such other guarantors and whether or not such Borrower or such Applicable Subsidiary is joined in any such action or actions;

(e) payment by any Guarantor of a portion, but not all, of the applicable Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the applicable Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if the Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the applicable Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the applicable Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability in respect of the applicable Guaranteed Obligations;

(f) any Guaranteed Party, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Guaranteed Party in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Guaranteed Party may have against any such security, in each case as such Guaranteed Party in its discretion may determine consistent herewith, the applicable Hedge Agreement, Cash Management Agreements or Treasury Transaction and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Borrower or any Applicable Subsidiary or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Loan Documents or any Hedge Agreements, Cash Management Agreements or Treasury Transactions; and

(g) this Guaranty and the obligations of each Guarantor hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than Payment in Full of the applicable Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Loan Documents, any Hedge Agreements, any Cash Management Agreements or any Treasury Transactions, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to Events of Default) hereof, any of the

other Loan Documents, Hedge Agreements, any Cash Management Agreements or any Treasury Transactions or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Loan Document, such Hedge Agreement, such Cash Management Agreements, such Treasury Transaction or any agreement relating to such other guaranty or security; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect (other than with respect to defense of payment or performance in full); (iv) the application of payments received from any source (other than payments received pursuant to the other Loan Documents, any Hedge Agreements, any Cash Management Agreements or any Treasury Transactions or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for Indebtedness other than the Guaranteed Obligations) to the payment of Indebtedness other than the Guaranteed Obligations, even though any Guaranteed Party might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Guaranteed Party's consent to the change, reorganization or termination of the corporate structure or existence of any Group Member and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest (if any) in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses (other than defense of payment or performance in full), set-offs or counterclaims which any Borrower or any Applicable Subsidiary may allege or assert against any Guaranteed Party in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or omission, or delay to do any other act, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

**Section 7.05 Waivers by the Guarantors.** Each Guarantor hereby waives, for the benefit of the Guaranteed Parties: (a) any right to require any Guaranteed Party, as a condition of payment or performance by such Guarantor, to (i) proceed against any Borrower, any other guarantor (including any other Guarantor) of the applicable Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from any Borrower, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account or credit on the books of any Guaranteed Party in favor of any Borrower, any such other guarantor or any other Person, or (iv) pursue any other remedy in the power of any Guaranteed Party whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any Borrower or any other guarantor (including any other Guarantor) including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any Borrower or any such other guarantor from any cause other than Payment in Full of the applicable Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Guaranteed Party's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Guaranteed Party protect, secure, perfect or insure any security interest or Lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, or under any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to any Borrower and notices of any of the matters referred to in Section 7.04 and any right to consent to any thereof; and (g) any defenses (other than defense of payment or performance in full) or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

**Section 7.06 Guarantors' Rights of Subrogation, Contribution, Etc.** Until the applicable Guaranteed Obligations shall have been Paid in Full, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against any Borrower, any other Guarantor or any Applicable Subsidiary or any of their respective assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against any applicable Borrower or any Applicable Subsidiary with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Guaranteed Party now has or may hereafter have against any Borrower or any Applicable Subsidiary, and (c) any benefit of, and any right to participate in, any collateral or security (if any) now or hereafter held by any Guaranteed Party. In addition, until the applicable Guaranteed Obligations shall have been Paid in Full, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the applicable Guaranteed Obligations, including any such right of contribution as contemplated by Section 7.02. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against any applicable Borrower, any other Guarantor or any Applicable Subsidiary or against any collateral or security (if any), and any rights of contribution such Guarantor may have against any such other guarantor (including any other Guarantor) shall be junior and subordinate to any rights any Guaranteed Party may have against any Borrower or any Applicable Subsidiary, to all right, title and interest any Guaranteed Party may have in any such collateral or security (if any), and to any right any Guaranteed Party may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all applicable Guaranteed Obligations shall not have been Paid in Full, such amount shall be held in trust for the Administrative Agent on behalf of the Guaranteed Parties and shall forthwith be paid over to the Administrative Agent for the benefit of the Guaranteed Parties to be credited and applied against the applicable Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

**Section 7.07 Continuing Guaranty.** This Guaranty is a continuing guaranty and shall remain in effect until all of the Guaranteed Obligations, respectively, shall have been Paid in Full. Each Guarantor hereby irrevocably waives any right to revoke this guaranty as to future transactions giving rise to any Guaranteed Obligations.

**Section 7.08 Authority of Guarantors or the Borrowers.** It is not necessary for any Guaranteed Party to inquire into the capacity or powers of any Guarantor, any Borrower or any Applicable Subsidiary or the officers, directors or any agents acting or purporting to act on behalf of any of them.



**Section 7.09 Financial Condition of the Borrowers.** Any Credit Extension may be made to any Borrower or continued from time to time, and any Hedge Agreements, Cash Management Agreements and Treasury Transactions may be entered into from time to time, in each case without notice to or authorization from any Guarantor regardless of the financial or other condition of such Borrower or, with respect to any Hedge Agreements, Cash Management Agreements and Treasury Transactions, the U.S. Borrower or any Applicable Subsidiaries party thereto, at the time of any such grant or continuation or at the time such Hedge Agreement, Cash Management Agreement or Treasury Transaction is entered into, as the case may be. No Guaranteed Party shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of such obligor. Each Guarantor has adequate means to obtain information from each such obligor on a continuing basis concerning the financial condition of each such obligor and its ability to perform its obligations under the Loan Documents, any Hedge Agreements, any Cash Management Agreements or any Treasury Transactions, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of each such obligor and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Guaranteed Party to disclose any matter, fact or thing relating to the business, operations or conditions of any such obligor now known or hereafter known by any Guaranteed Party.

**Section 7.10 Bankruptcy, Etc.**

(a) The obligations of each Guarantor hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding (or analogous proceeding under any Debtor Relief Law), voluntary or involuntary, involving the bankruptcy, insolvency, examinership, receivership, reorganization, liquidation or arrangement of any Borrower, any Applicable Subsidiary, any other Guarantor or by any defense which any Borrower, any Applicable Subsidiary or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the applicable Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in Section 7.10(a) (or, if interest on any portion of the applicable Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the applicable Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the applicable Guaranteed Obligations because it is the intention of the Guarantors and Guaranteed Parties that the Guaranteed Obligations which are guaranteed by the Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve any Borrower or any Applicable Subsidiary of any portion of such Guaranteed Obligations. The Guarantors shall permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar Person under any Debtor Relief Law to pay the Administrative Agent, or allow the claim of the Administrative Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by any Borrower or any Applicable Subsidiary, the obligations of the applicable Guarantors with respect to such amounts hereunder shall be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Guaranteed Party as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

**Section 7.11 Discharge of Subsidiary Guaranty.** Upon delivery by the Borrower Representative to the Administrative of a written notice of the release of a Subsidiary Guarantor from its obligations under the Loan Documents, such Subsidiary Guarantor shall be automatically and immediately released from its Obligations, shall cease to be a Subsidiary Guarantor for all purposes, shall have no liability under any Loan Documents and shall cease to be a party to all Loan Documents as a Subsidiary Guarantor. At the request of the Borrower Representative, the Administrative Agent shall take, and the Lenders hereby authorize the Administrative Agent to take, such actions as shall be reasonably requested and customary to evidence the termination and release of the Guaranty of such Subsidiary Guarantor.

## **ARTICLE VIII. EVENTS OF DEFAULT**

**Section 8.01 Events of Default.** If any one or more of the following conditions or events occur and is continuing:

(a) Failure to Make Payments When Due. Any Borrower shall fail to pay (i) any principal of any Loan when the same becomes due and payable; or (ii) any Borrower shall fail to pay any interest on any Loan or make any other payment of fees or other amounts payable under this Agreement or any Note within five days after the same becomes due and payable; or

(b) Breach of Representations, Etc. Any representation or warranty made by any Loan Party herein or by any Loan Party (or any of its officers) in any certificate, document, financial or other statements in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(c) Breach of Certain Covenants. (i) Any Loan Party shall fail to perform or observe any term, covenant or agreement contained in Section 2.06, Section 5.04 (solely as to the existence of any Borrower), or Article VI, or (ii) any Loan Party shall fail to perform or comply with any other term or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the U.S. Borrower from the Administrative Agent or the Required Lenders; or

(d) Default Under Other Agreements. The U.S. Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Material Indebtedness (but excluding Indebtedness outstanding hereunder) of the U.S. Borrower or such Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, or to require the prepayment or redemption (other than by a regularly scheduled required prepayment or redemption), purchase or defeasance of such Indebtedness or that an offer to repay, redeem, purchase or defease such Indebtedness be made, in each case prior to the stated maturity thereof; provided that this Section 8.01(d) shall not apply to (i) secured Indebtedness that becomes due as a result of a disposition, transfer, condemnation, insured loss or similar event relating to the property or assets securing such Indebtedness, (ii) any customary offer to repurchase provisions upon an asset sale, (iii)

customary debt and equity proceeds prepayment requirements contained in any bridge or other interim credit facility, (iv) Indebtedness of any Person assumed in connection with the acquisition of such Person to the extent that such Indebtedness is repaid as required by the terms thereof as a result of the acquisition of such Person or (v) the redemption of any Indebtedness incurred to finance an acquisition pursuant to any special mandatory redemption feature that is triggered as a result of the failure of such acquisition to occur; or

(e) Insolvency; Bankruptcy. Any Loan Party or Material Company shall generally not pay its Indebtedness as such Indebtedness become due, or shall admit in writing its inability to pay its Indebtedness generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against such Loan Party or Material Company seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, suspension of payments, a moratorium of any Indebtedness, dissolution, administration, provisional supervision, reorganization, arrangement, adjustment, protection, relief, or composition of it or its Indebtedness under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or any Loan Party or Material Company shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Judgments and Attachments. Judgments or orders for the payment of money in excess of \$150,000,000 in the aggregate shall be rendered against the U.S. Borrower or any of its Subsidiaries by a court of competent jurisdiction and such judgment or order for payment is not satisfied, discharged, vacated, bonded or stayed pending appeal within a period of 60 consecutive days; or

(g) Non-Monetary Judgments. Any non-monetary judgment or order shall be rendered against the U.S. Borrower or any of its Subsidiaries by a court of competent jurisdiction that could be reasonably expected to have a Material Adverse Effect, and such judgment or order is not satisfied, discharged, vacated, bonded or stayed pending appeal within a period of 60 consecutive days; or

(h) Change of Control. A Change of Control occurs; or

(i) Employee Benefit Plans. There shall occur one or more ERISA Events which, individually or in the aggregate, results in or would reasonably be expected to result in a Material Adverse Effect; or

(j) Invalidity of this Agreement. Any provision of this Agreement shall for any reason cease to be valid and binding on or enforceable against any Borrower or other Loan Party or any Borrower or other Loan Party shall so state in writing;

**THEN**, (1) upon the occurrence of any Event of Default described in Section 8.01(e), automatically, and (2) upon the occurrence and during the continuance of any other Event of Default, at the request of (or with the consent of) the Required Lenders, (A) the Revolving Commitments, if any, of each Lender having such Revolving Commitments, the obligation of each Issuing Bank to issue any Letter of Credit and the obligation of the applicable Swing Line Lender to make any Swing Line Loan shall immediately terminate; (B) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or

other requirements of any kind, all of which are hereby expressly waived by each Loan Party: (i) the unpaid principal amount of and accrued interest on the Loans, (ii) an amount equal to the maximum amount that may at any time be drawn under all Letters of Credit then outstanding (regardless of whether any beneficiary under any such Letter of Credit shall have presented, or shall be entitled at such time to present, the drafts or other documents or certificates required to draw under such Letters of Credit) and (iii) all other Obligations under the Loan Documents; provided, that the foregoing shall not affect in any way the obligations of Lenders under Section 2.03(b)(v) or 2.04(e); (C) the Administrative Agent may cause the enforcement of any and all Liens and security interests (if any) created pursuant to any Loan Documents; (D) the Administrative Agent shall direct the Borrower Representative to pay (and each Borrower hereby agrees upon receipt of such notice, or upon the occurrence of any Event of Default specified in Section 8.01(e) to pay) to the Administrative Agent such additional amounts of cash as reasonably requested by the Issuing Bank, to be held as security for each Borrower's reimbursement Obligations in respect of Letters of Credit then outstanding; and (E) the Administrative Agent may exercise on behalf of themselves, the Lenders, the Issuing Bank and the other Guaranteed Parties all rights and remedies available to the Administrative Agent, the Guaranteed Parties and the Issuing Bank under the Loan Documents or under applicable law or in equity.

## **ARTICLE IX. AGENTS**

**Section 9.01 Appointment of Agents.** Citibank, N.A. is hereby appointed as Syndication Agent hereunder, and each Lender hereby authorizes Citibank, N.A. to act as the Syndication Agent in accordance with the terms hereof and the other Loan Documents. Barclays is hereby appointed as the Administrative Agent hereunder and under the other Loan Documents and each Lender hereby authorizes Barclays to act as the Administrative Agent in accordance with the terms hereof and the other Loan Documents. BofA Securities is hereby appointed as the Documentation Agent hereunder, together with Truist Bank, Bank of China, New York Branch, BNP Paribas, Citizens Bank, N.A., DBS Bank Ltd., HSBC Bank USA, National Association, Standard Chartered Bank, The Bank Of Nova Scotia, and U.S. Bank National Association, and each Lender hereby authorizes BofA Securities, Truist Bank, Bank of China, New York Branch, BNP Paribas, Citizens Bank, N.A., DBS Bank Ltd., HSBC Bank USA, National Association, Standard Chartered Bank, The Bank Of Nova Scotia, and U.S. Bank National Association to act as the Documentation Agents in accordance with the terms hereof and the other Loan Documents. Each Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and the other Loan Documents, as applicable. The provisions of this Article IX (other than as expressly provided herein) are solely for the benefit of the Agents and the Lenders and no Loan Party shall have any rights as a third party beneficiary of any of the provisions of this Article IX (other than as expressly provided herein). In performing its functions and duties hereunder, each Agent shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for any Group Member. The Syndication Agent and each Documentation Agent, without consent of or notice to any party hereto, may assign any and all of its rights or obligations hereunder to any of its Affiliates. Notwithstanding any other provision of this Agreement or any provision of any other Loan Document, each of the Arrangers, the Bookrunners, the Syndication Agent and the Documentation Agents are named as such for recognition purposes only, and in their respective capacities as such shall have no duties, responsibilities or liabilities with respect to this Agreement or any other Loan Document; it being understood and agreed that each of the Arrangers, the Bookrunners, the Syndication Agent and the Documentation Agents shall be entitled to all indemnification and reimbursement rights in favor of the Agents provided herein and in the other Loan Documents and all of the other benefits of this Article IX.

**Section 9.02 Powers and Duties.** Each Lender irrevocably authorizes each Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Loan Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. In the event that any obligations (other than the Obligations) are permitted to be incurred hereunder and secured by Liens permitted to be incurred hereunder on all or a portion of the collateral (if any) for the Obligations, each Lender authorizes the Administrative Agent to enter into intercreditor agreements, subordination agreements and amendments to any applicable security documents (if any) to reflect such arrangements on terms acceptable to the Administrative Agent. Each Agent shall have only those duties and responsibilities that are expressly specified herein and the other Loan Documents. Each Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. No Agent shall have, by reason hereof or any of the other Loan Documents, a fiduciary relationship or other implied duties in respect of any Lender, any Loan Party or any other Person; and nothing herein or any of the other Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or any of the other Loan Documents except as expressly set forth herein or therein. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Agreement and in the other Loan Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under the agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

**Section 9.03 General Immunity.**

(a) No Responsibility for Certain Matters. No Agent shall be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Loan Document, or for the creation, perfection or priority of any Lien, or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to the Lenders or by or on behalf of any Loan Party or to any Agent or Lender in connection with the Loan Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Obligations, nor shall any Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Loan Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or as to the value or sufficiency of any collateral (if any) or as to the satisfaction of any condition set forth in Article III or elsewhere herein (other than confirm receipt of items expressly required to be delivered to such Agent) or to inspect the properties, books or records of any Group Member or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, the Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Loans or the utilization of Letters of Credit or the component amounts thereof.

(b) Exculpatory Provisions. No Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Lenders (i) for any action taken or omitted by any Agent (A) under or in connection with any of the Loan Documents or (B) with the consent or at the request of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement) except to the extent caused by such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction or (ii) for any failure of any Loan Party to perform

its obligations under this Agreement or any other Loan Document. No Agent shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose or be liable for the failure to disclose, any information relating to any Borrower or any of its Affiliates that is communicated to or obtained by such Agent or any of its Affiliates in any capacity. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Loan Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.05) and, upon receipt of such instructions from Required Lenders (or such other Lenders, as the case may be), such Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions and shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for a Group Member), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Loan Documents in accordance with the instructions of Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.05).

(c) Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Loan Document by or through any one or more sub-agents appointed by it. Each of the Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of this Section 9.03 and of Section 9.06 shall apply to any of the Affiliates of the Administrative Agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as the Administrative Agent. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Section 9.03 and of Section 9.06 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by the Administrative Agent, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Loan Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to the Administrative Agent and not to any Loan Party, Lender or any other Person and no Loan Party, Lender or any other Person shall have any rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent; provided, that the Administrative Agent shall be responsible for all acts of each of their respective sub-agents, and each Loan Party, each Agent, each Lender and other Person shall have the same rights against the Administrative Agent, as if the Administrative Agent, had performed the duties and exercised the rights and powers under this Agreement or any other Loan Document that its sub-agent performed or exercised.

(d) Notice of Default or Event of Default. No Agent shall be deemed to have knowledge of any Default or Event of Default unless and until written notice describing such Default or Event of Default is given to such Agent by a Loan Party or a Lender. In the event that the Administrative Agent shall receive such a notice, the Administrative Agent shall give notice thereof to the Lenders, provided that failure to give such notice shall not result in any liability on the part of the Administrative Agent.

**Section 9.04 Agents Entitled to Act as Lender.** The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Loans and the Letters of Credit, each Agent shall have the same rights and powers hereunder in its capacity as a Lender as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term “Lender” shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity. Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with the U.S. Borrower or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from any Borrower for services in connection herewith and otherwise without having to account for the same to Lenders. The Lenders acknowledge that pursuant to such activities, the Agents or their Affiliates may receive information regarding any Loan Party or any Affiliate of any Loan Party (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that the Agents and their Affiliates shall be under no obligation to provide such information to them.

**Section 9.05 Lenders’ Representations, Warranties and Acknowledgment.**

(a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of the Group in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of the Group. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page hereto, an Assignment Agreement or a Joinder Agreement and funding its Tranche A Euro Term Loans and/or Revolving Loans or by the funding of any Incremental Term Loans or Incremental Revolving Loans, as the case may be, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by any Agent, Required Lenders or Lenders, as applicable on the Closing Date or as of the date of funding of such Loans.

**Section 9.06 Right to Indemnity.** Each Lender, in proportion to its Pro Rata Share, severally agrees to indemnify each Agent to the extent that such Agent shall not have been reimbursed by any Loan Party (and without limiting its obligation to do so), for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Agent in exercising its powers, rights and remedies or performing its duties hereunder or under the other Loan Documents or otherwise in its capacity as Agent in any way relating to or arising out of this Agreement or the other Loan Documents; provided, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs,

expenses or disbursements resulting from such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, that in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's Pro Rata Share thereof; and provided, further, that this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence. Each Revolving Lender, in proportion to its Pro Rata Share, severally agrees to indemnify each Issuing Bank and/or Swing Line Lender to the extent that such Issuing Bank and/or Swing Line Lender shall not have been reimbursed by any Loan Party (and without limiting its obligation to do so), for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Issuing Bank and/or Swing Line Lender in exercising its powers, rights and remedies or performing its duties hereunder or under the other Loan Documents or otherwise in its capacity as Issuing Bank and/or Swing Line Lender in any way relating to or arising out of this Agreement or the other Loan Documents; provided, that no Revolving Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Issuing Bank's and/or Swing Line Lender's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Issuing Bank and/or Swing Line Lender for any purpose shall, in the opinion of such Issuing Bank and/or Swing Line Lender, be insufficient or become impaired, such Issuing Bank and/or Swing Line Lender may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, that in no event shall this sentence require any Revolving Lender to indemnify any Issuing Bank and/or Swing Line Lender against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Revolving Lender's Pro Rata Share thereof; and provided, further, that this sentence shall not be deemed to require any Revolving Lender to indemnify any Issuing Bank and/or Swing Line Lender against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

#### **Section 9.07 Successor Agents, Issuing Banks and Swing Line Lender.**

(a) The Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to the Lenders and the Borrower Representative. The Administrative Agent shall have the right to appoint a financial institution to act as the Administrative Agent hereunder, subject to the reasonable satisfaction of the Borrower Representative and the Required Lenders, and the Administrative Agent's resignation shall become effective on the earlier of (i) the acceptance of such successor Administrative Agent by the Borrower Representative and the Required Lenders or (ii) the thirtieth day after such notice of resignation. Upon any such notice of resignation, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, Required Lenders shall have the right, upon five Business Days' notice to the Borrower Representative, to appoint a successor Administrative Agent. If neither Required Lenders nor the Administrative Agent have appointed a successor Administrative Agent, then the Required Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent. After any retiring Administrative Agent's resignation hereunder as the Administrative Agent, the provisions of this Section 9.07 shall inure to its benefit as to any actions taken or



omitted to be taken by it while it was the Administrative Agent hereunder. Upon the acceptance of any appointment as the Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent and the retiring Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums and items of collateral held under any security documents (if any), together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Loan Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements (if any), and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the security documents (if any), whereupon such retiring Administrative Agent shall be discharged from its duties and obligations hereunder.

(b) Any resignation of Barclays or its successor as the Administrative Agent pursuant to this Section shall also constitute the resignation of Barclays or its successor as a Swing Line Lender and Issuing Bank, and any successor Administrative Agent appointed pursuant to this Section 9.07 shall, upon its acceptance of such appointment, become the successor to the Swing Line Lender and an Issuing Bank (in accordance with Section 2.04(h)) for all purposes hereunder. In such event (i) the applicable Borrower shall prepay any outstanding Swing Line Loans made by the retiring Administrative Agent in its capacity as Swing Line Lender, (ii) upon such prepayment, the retiring Administrative Agent and Swing Line Lender shall surrender any Swing Line Note held by it to the Borrower Representative for cancellation and (iii) the applicable Borrower, as applicable, shall issue, if so requested by the successor Administrative Agent and the Swing Line Lender, a new Swing Line Note to the successor Administrative Agent and the successor Swing Line Lender, in the principal amount of the applicable Swing Line Sublimit then in effect and with other appropriate insertions.

#### **Section 9.08 Termination.**

Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations under the Loan Documents have been Paid in Full, this Agreement and all other Loan Documents, all guarantee obligations provided for in any Loan Document and all security interests (if any) granted pursuant to any Loan Document shall automatically terminate, and upon request of the Borrower Representative, the Administrative Agent shall (without notice to, or vote or consent of, any Lender or any Lender Counterparty) take such actions as shall be reasonably requested to evidence the release of all such obligations provided for in any Loan Document. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations under the Loan Documents guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation, examinership, receivership, administration, provisional supervision or reorganization of any Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor, liquidator, administrator, provisional supervisor, examiner or conservator of, or trustee or similar officer for, any Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

**Section 9.09 Withholding Taxes.** To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If any payment has been made to any Lender by the Administrative Agent without the applicable withholding Tax being withheld from such payment and the Administrative Agent has paid over the applicable withholding Tax to the IRS or any other Governmental Authority, or the IRS or any other Governmental Authority asserts a claim

that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, such Lender shall severally indemnify the Administrative Agent (but only to the extent that a Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of a Borrower to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses incurred and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; provided, that nothing in this Section 9.09 shall impose any obligation on any Loan Party.

**Section 9.10 Administrative Agent May File Proofs of Claim.** In case of the pendency of any proceeding under the Bankruptcy Code or other applicable law or any other judicial proceeding relative to any Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise (a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations under the Loan Documents that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the other Guaranteed Parties (including fees, disbursements and other expenses of counsel) allowed in such judicial proceeding and (b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and other Guaranteed Party to make such payments to the Administrative Agent. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or other Guaranteed Party any plan of reorganization, arrangement, adjustment or composition affecting the Obligations under the Loan Documents or the rights of any Lender or other Guaranteed Party to authorize the Administrative Agent to vote in respect of the claim of such Person or in any such proceeding.

**Section 9.11 Administrative Agent's "Know Your Customer" Requirements.** Each Lender shall promptly, upon the request of the Administrative Agent, provide such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself) in order for the Administrative Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Loan Documents.

**Section 9.12 Certain ERISA Matters.**

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the U.S. Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such

Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the U.S. Borrower or any other Loan Party, that none of the Administrative Agent or the Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

### **Section 9.13 Erroneous Payments.**

(a) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a

demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on “discharge for value” or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 9.13 shall be conclusive, absent manifest error.

(b) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a “Payment Notice”) or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Borrowers and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender under this Agreement or any Loan Document with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrowers under this Agreement or any other Loan Document except, in each case, solely to the extent such erroneous Payment is comprised of funds received by the Administrative Agent from the Borrower or any of its Subsidiaries for the purpose of making any payment hereunder that became subject to such erroneous Payment.

(d) Each party’s obligations under this Section 9.13 shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

## **ARTICLE X. MISCELLANEOUS**

### **Section 10.01 Notices.**

(a) Notices Generally. Any notice or other communication herein required or permitted to be given to a Loan Party, the Administrative Agent, a Swing Line Lender or an Issuing Bank, shall be sent to such Person’s address as set forth on Schedule 10.01(a), or in the other relevant Loan Document, and in the case of any Lender, the address as indicated to the Administrative Agent in writing (which notice information the Administrative Agent shall

promptly share with the Borrower Representative). Except as otherwise set forth in Section 10.01(b) below, each notice hereunder shall be in writing and may be personally served or sent by telefacsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, ordinary or registered post, or three Business Days after depositing it in the ordinary or prepaid post or United States mail with postage prepaid and properly addressed; provided, that no notice to any Agent shall be effective until received by such Agent; provided, further, that any such notice or other communication shall at the request of the Administrative Agent be provided to any sub-agent appointed pursuant to Section 9.03(c) hereto as designated by the Administrative Agent from time to time.

(b) Electronic Communications.

(i) Notices and other communications to the Administrative Agent, each Swing Line Lender, the Lenders and any Issuing Bank hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by the Administrative Agent, each Swing Line Lender, each Lender and each Issuing Bank, as applicable; provided, that the foregoing shall not apply to notices to any Lender or the Issuing Bank pursuant to Article II if such Lender or the Issuing Bank, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, each other Agent and the Borrower Representative hereby agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided, that any notice of an Event of Default shall be promptly confirmed by facsimile. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided, that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient and (ii) notices or communications posted to an internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(ii) Each Loan Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the willful misconduct or gross negligence of the Administrative Agent, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(iii) The Platform and any Approved Electronic Communications are provided "as is" and "as available". None of the Agents nor any of their respective officers, directors, employees, agents, advisors or representatives (the "Agent Affiliates") warrant the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects is made by the Agent Affiliates in connection with the Platform or the

Approved Electronic Communications. Each party hereto agrees that no Agent has any responsibility for maintaining or providing any equipment, software, services or any testing required in connection with any Approved Electronic Communication or otherwise required for the Platform. In no event shall any Agent nor any of the Agent Affiliates have any liability to any Loan Party, any Lender or any other Person for damages of any kind, whether or not based on strict liability and including (A) direct damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party's or any Agent's transmission of communications through the internet, except to the extent the liability of any such Person if found in a final ruling by a court of competent jurisdiction to have resulted from such Person's gross negligence or willful misconduct or (B) indirect, special, incidental or consequential damages.

(iv) Each Loan Party, each Lender, the Issuing Bank and each Agent agrees that the Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with the Administrative Agent's customary document retention procedures and policies.

(v) All uses of the Platform shall be governed by and subject to, in addition to this Section 10.01, separate terms and conditions posted or referenced in such Platform and related agreements executed by the Lenders and their Affiliates in connection with the use of such Platform.

(c) Change of Address. Any party hereto may change its address or telecopy number for notices and other communications hereunder by written notice to the other parties hereto.

**Section 10.02 Expenses.** Whether or not the transactions contemplated hereby are consummated, each Borrower agrees to pay promptly (a) all the actual and reasonable out-of-pocket costs and expenses incurred by the Agents and the Arranger in connection with the negotiation, preparation and execution of the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto; (b) the reasonable fees, expenses and disbursements of counsel to the Agents (in each case including allocated costs of internal counsel) in connection with the negotiation, preparation, execution and administration of the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto and any other documents or matters requested by any Borrower; provided that reasonable attorney's fees shall be limited to one primary counsel and, if reasonably required by the Administrative Agent, one local counsel per jurisdiction and one specialist counsel per specialty, provided, further, that no such limitation shall apply if counsel for the Administrative Agent determines in good faith that there is a conflict of interest that requires separate representation for any Agent or Lender; (c) all the actual costs and reasonable out-of-pocket expenses of creating, perfecting, recording, maintaining and preserving Liens (if any), for the benefit of Guaranteed Parties, including filing and recording fees, expenses and Taxes, stamp or documentary Taxes, search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to the Administrative Agent; (d) [reserved]; (e) all other actual costs and reasonable out-of-pocket expenses incurred by each Agent in connection with the syndication of the Loans and Commitments and the transactions contemplated by the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto; and (f) all actual costs and reasonable out-of-pocket expenses, including reasonable attorneys' fees (including allocated costs of internal counsel) and costs of settlement, incurred by any Agent or any Lender in enforcing any Obligations under the Loan Documents or in collecting any payments due from any Loan Party hereunder or under the other Loan Documents (including in connection with the sale, lease or license of, collection from, or other realization upon any of the collateral (if any) or the enforcement of the Guaranty) or in connection with any refinancing or restructuring of the

credit arrangements provided hereunder in the nature of a “work-out” or pursuant to any insolvency or bankruptcy cases or proceedings. All amounts due under this Section 10.02 shall be due and payable promptly after demand therefor.

### **Section 10.03 Indemnity.**

(a) In addition to the payment of expenses pursuant to Section 10.02, whether or not the transactions contemplated hereby are consummated, each Loan Party agrees to defend (subject to Indemnitees’ rights to selection of counsel), indemnify, pay and hold harmless, each Agent, Arranger, Bookrunner, any other agent or co-agent (if any) designated by the Bookrunners with respect to the credit facilities hereunder, Issuing Bank, Swing Line Lender and Lender and the officers, partners, members, directors, trustees, shareholders, advisors, employees, representatives, attorneys, controlling persons, agents and Affiliates of each Agent, Arranger, Bookrunner, other agent or co-agent (if any) designated by the Bookrunners with respect to the credit facilities hereunder, Issuing Bank, Swing Line Lender and Lender (each, an “Indemnitee”), from and against any and all Indemnified Liabilities, whether or not the action, suit, proceeding or claim out of which any such Indemnified Liability arise is brought by any Borrower, any of their respective affiliates or any other person or entity, whether or not any Indemnitee is a party to such action, suit, proceeding or claim; provided, that no Loan Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities (a) arise from (i) the gross negligence or willful misconduct of such Indemnitee or any of such Indemnitee’s controlled Affiliates or any of its or their respective partners, trustees, shareholders, officers, directors, employees, advisors, representatives, agents, attorneys, controlling persons or members or (ii) a material breach of such Indemnitee’s (or any of its controlled Affiliates’ or any of its or their respective partners’, trustees’, shareholders’, officers’, directors’, employees’, advisors’, representatives’, agents’, attorneys’, controlling persons’ and members’) obligations under the Loan Documents, in each case, as determined by a final, non-appealable judgment of a court of competent jurisdiction, (b) arise out of any dispute among Indemnitees (other than a dispute involving claims against the Administrative Agent, a Sustainability Coordinator, an Arranger or a Bookrunner, in each case in their respective capacities as such) that did not involve actions or omissions of the Loan Parties or their Affiliates as determined by a final, non-appealable judgment of a court of competent jurisdiction or (c) arise in connection with any settlement entered into by such Indemnitee without the prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) of the Loan Parties (provided, however, that the foregoing indemnity will apply to any such settlement in the event the Loan Parties were offered the ability to assume the defense of the action that was the subject matter of such settlement and elected not to assume the defense); provided, further, that in connection therewith, the Loan Parties shall only be responsible for the fees, charges and disbursements of a single counsel selected by the Administrative Agent for all Indemnitees and of such special and local counsel as the Administrative Agent may deem appropriate in its good faith discretion, except that if any Indemnitee reasonably concludes that its interests conflict or are reasonably likely to conflict with those of other Indemnitees and notifies the Loan Parties of such conflict, the Loan Parties shall also be responsible for the fees, charges and disbursements of one separate counsel for such conflicted Indemnitees. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 10.03 may be unenforceable in whole or in part because they are violative of any law or public policy, the applicable Loan Party shall to the extent permitted by law contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them. For the avoidance of doubt, this Section 10.03 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) To the extent permitted by applicable law, no Loan Party or Protected Person shall be responsible or liable to any Person for any special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) alleged as arising out of, in connection with, as a result of or in any way related to this Agreement or any Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, the transmission of information through the Internet, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith; provided that the foregoing does not otherwise modify the obligations of the Loan Parties set forth in this Section 10.03. Each Loan Party and each Protected Person, as applicable, hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) All amounts due under this Section 10.03 shall be due and payable within five days after demand therefor.

**Section 10.04 Set-Off.** In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuation of any Event of Default each Lender is hereby authorized by each Loan Party at any time or from time to time to the fullest extent permitted by law and subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), without notice to any Loan Party or to any other Person (other than the Administrative Agent), any such notice being hereby expressly waived to the fullest extent permitted by applicable law, to set-off and to appropriate and to apply any and all deposits (time or demand, provisional or final, general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of any Loan Party against and on account of the obligations and liabilities of any Loan Party to such Lender hereunder, the Letters of Credit and participations therein and under the other Loan Documents, including all claims of any nature or description arising out of or connected hereto, the Letters of Credit and participations therein or with any other Loan Document, irrespective of whether or not (i) such Lender shall have made any demand hereunder or (ii) such obligations and liabilities, or any of them, may be contingent or unmatured.

#### **Section 10.05 Amendments and Waivers.**

(a) Required Lenders' Consent. Subject to the additional requirements of Sections 10.05(b) and 10.05(c), and except as set forth in Sections 1.04, 2.24, 2.25, 2.27 or 2.28 or as otherwise expressly provided in any Loan Document, no amendment, supplement, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall in any event be effective without the written concurrence of the Required Lenders and the Borrower Representative (it being understood that delivery of an executed counterpart of a signature page to the applicable amendment, supplement, modification, termination or waiver by facsimile or other electronic transmission will be effective as delivery of an original executed counterpart thereof); provided that (x) any Defaulting Lender shall be deemed not to be a "Lender" for purposes of calculating the Required Lenders (including the granting of any consents or waivers) with respect to any of the Loan Documents and (y) the Administrative Agent and the Borrower Representative may amend, modify or supplement this Agreement to cure any error (including, but not limited to, typographical error, incorrect cross-reference or incorrectly-named defined term), defect, ambiguity, inconsistency or any other error or omission of a technical nature, and such amendment, modification or supplement shall become effective without any further action or



consent of any other Lender if the same is not objected to in writing by the Required Lenders to the Administrative Agent within 10 Business Days following receipt of notice thereof.

(b) Affected Lenders' Consent. Without the written consent of each Lender (other than a Defaulting Lender) that would be directly and adversely affected thereby, no amendment, supplement, modification, termination, or consent shall be effective if the effect thereof would:

- (i) extend the scheduled final maturity of any Loan or Note;
- (ii) waive, reduce or postpone any scheduled repayment (but not prepayment) of principal;
- (iii) [reserved];

(iv) reduce the rate of interest on any Loan (other than any waiver of any increase in the interest rate applicable to any Loan pursuant to Section 2.10) or any fee or any premium payable hereunder (it being understood that any change to the definition of Public Debt Rating or Net Leverage Ratio, or, in each case, in the component definitions thereof, shall not constitute a reduction in the rate of interest); provided, further, that only the consent of the Required Lenders shall be necessary to amend the Default Rate in Section 2.10 or to waive any obligation of any Borrower to pay interest at the Default Rate;

(v) waive or extend the time for payment of any such interest, fees or premiums, it being understood that only the consent of the Required Lenders shall be necessary to rescind an acceleration of Obligations under the Loan Documents after acceleration thereof pursuant to Section 8.01 hereof;

(vi) reduce or forgive the principal amount of any Loan or any reimbursement Obligation in respect of any Letter of Credit;

(vii) amend, modify, terminate or waive any provision of Section 2.15 (except to the extent provided for in Section 10.05(c)(iii)), Section 2.16(c), Section 2.17, this Section 10.05(b), Section 10.05(c) or any other provision of this Agreement that expressly provides that the consent of all Lenders (or all Lenders in a particular facility) is required;

(viii) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under any Loan Document except as expressly provided in any Loan Document;

(ix) amend the definition of "Required Lenders", "Required Revolving Lenders" or amend Section 10.05(a) in a manner that has the same effect as an amendment to such definition or the definition of "Pro Rata Share"; provided that with the consent of Required Lenders, additional extensions of credit pursuant hereto may be included in the determination of "Required Lenders" or "Pro Rata Share" on substantially the same basis as the Term Loan Commitments, the Term Loans, the Revolving Commitments and the Revolving Loans are included on the Closing Date;

- (x) release the Guaranty of the U.S. Borrower, except as expressly provided in the Loan Documents;

(xi) amend or modify any provision of Section 10.06 in a manner that further restricts assignments thereunder;

(xii) [reserved]; or

(xiii) change the stated currency in which any Borrower is required to make payments of principal, interest, fees or other amounts hereunder or under any other Loan Document;

provided that, for the avoidance of doubt, all Lenders shall be deemed directly and adversely affected thereby with respect to any amendment described in clauses (vii), (viii), (ix), (x) and (xii).

(c) Other Consents. No amendment, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall:

(i) increase any Commitment of any Lender over the amount thereof then in effect or extend the outside date for such Commitment without the consent of such Lender; provided that no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default shall be deemed to constitute an increase in any Commitment of any Lender;

(ii) amend, modify, terminate or waive any provision hereof relating to the Swing Line Sublimit or the Swing Line Loans without the consent of the applicable Swing Line Lender;

(iii) alter the required application of any repayments or prepayments as between Classes pursuant to Section 2.15 without the consent of Lenders holding more than 50.0% of the aggregate Tranche A Euro Term Loan Exposure of all Lenders, the Revolving Exposure of all Lenders or the Incremental Term Loan Exposure of all Lenders, as applicable, of each Class which is being allocated a lesser repayment or prepayment as a result thereof; provided, that Required Lenders may waive, in whole or in part, any prepayment so long as the application, as between Classes, of any portion of such prepayment which is still required to be made is not altered;

(iv) amend, modify, terminate or waive any provision hereof relating to the Letter of Credit Sublimit, or the Letters of Credit without the written consent of the applicable Issuing Bank and the Administrative Agent;

(v) amend, modify or waive this Agreement or any Loan Document so as to alter the ratable treatment of Obligations arising under the Loan Documents and Obligations arising under Hedge Agreements or the definition of "Lender Counterparty," "Hedge Agreement," or "Obligations," in each case in a manner adverse to any Lender Counterparty with Obligations then outstanding without the written consent of any such Lender Counterparty;

(vi) amend, modify, terminate or waive any provision of Article IX as the same applies to any Agent, or any other provision hereof as the same applies to the rights or obligations of any Agent, in each case without the consent of such Agent;

(vii) amend any condition for Credit Extensions set forth in Section 3.02 without the consent of applicable Lenders holding more than 50.0% of the aggregate

Multicurrency Revolving Exposure or 50.0% of the aggregate Hong Kong Revolving Exposure, as applicable;

(viii) (i) the Commitment or Loan of any Defaulting Lender may not be increased or extended and the principal of any Loan of a Defaulting Lender may not be reduced, in each case without the consent of such Lender and (ii) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of each such Defaulting Lender.

(d) Execution of Amendments, Etc. The Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, supplements, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. In the case of any waiver, subject to any conditions or qualifications set forth therein, the parties hereto shall be restored to their former positions and rights hereunder and under the other Loan Documents, and, subject to any conditions or qualifications set forth therein, any Default or Event of Default waived shall be deemed to be cured and not continuing, but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right or consequence in respect thereof. No notice to or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.05 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Loan Party, on such Loan Party.

Notwithstanding anything to the contrary provided herein, no consent of any Lender or any other party to this Agreement shall be required in connection with the making of any amendment to any Loan Document of the type described in Section 1.06, Section 2.24, Section 2.25, Section 2.27, or Section 2.28, other than the applicable Lenders or parties that are specifically referenced in such specified section).

#### **Section 10.06 Successors and Assigns; Participations.**

(a) Generally. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the respective successors and assigns. Except as permitted under Section 6.02, no Loan Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Loan Party without the prior written consent of all Lenders (and any purported assignment or delegation without such consent shall be null and void) and no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.06.

(b) Register. Each Borrower, each Guarantor, the Administrative Agent and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof, and no assignment or transfer of any such Commitment or Loan shall be effective, in each case, unless and until recorded in the Register following receipt of a fully executed Assignment Agreement effecting the assignment or transfer thereof, together with the required forms and certificates regarding Tax matters and any fees payable in connection with such assignment, in each case, as provided in Section 10.06(d). Each assignment shall be recorded in the Register promptly following receipt by the Administrative Agent of the fully executed Assignment Agreement and all other necessary documents and approvals, prompt notice thereof shall be provided to the Borrower and a copy of such Assignment Agreement shall be maintained, as applicable. The date of such recordation of a transfer shall be referred to herein as the "Assignment Effective"

Date.” Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Loans.

(c) Right to Assign. Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including all or a portion of its Commitment or Loans owing to it or other Obligations under the Loan Documents (provided, that *pro rata* assignments shall not be required and each assignment shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any applicable Loan and any related Commitments):

(i) to any Person meeting the criteria of clause (i) of the definition of the term of “Eligible Assignee” upon the giving of notice to the Administrative Agent and, in the case of assignments, sales or transfers of any applicable Revolving Commitment, subject to the consent of the Issuing Banks and the Swing Line Lenders (each such consent not to be unreasonably withheld or delayed); and

(ii) to any Person meeting the criteria of clause (ii) of the definition of the term of “Eligible Assignee” upon giving of notice to the Borrower Representative and the Administrative Agent and consented to by the Borrower Representative (provided that the Borrower Representative shall be deemed to have consented to assignments made during the initial syndication of the Term Loans and Revolving Commitments to Lenders previously approved by the Borrower Representative and to any other assignment unless it shall object thereto by written notice to the Administrative Agent within five Business Days after having received notice thereof), the Administrative Agent, the applicable Issuing Bank and the applicable Swing Line Lender (each such consent not to be (x) unreasonably withheld or delayed or (y) in the case of the Borrower Representative, required at any time an Event of Default described in Section 8.01(a) or 8.01(e) has occurred and is continuing); provided, that each such assignment pursuant to this Section 10.06(c)(ii) shall be in an aggregate amount of not less than (A) \$5,000,000 (or such lesser amount as may be agreed to by the Borrower Representative and the Administrative Agent or as shall constitute the aggregate amount of the Revolving Commitments and Revolving Loans of the assigning Lender) with respect to the assignment of the Revolving Commitments and Revolving Loans and (B) \$500,000 (or such lesser amount as may be agreed to by the Borrower Representative and the Administrative Agent or as shall constitute the aggregate amount of the Tranche A Euro Term Loan or Incremental Term Loans of a Series of the assigning Lender) with respect to the assignment of Term Loans; provided, that the Related Funds of any individual Lender may aggregate their Loans for purposes of determining compliance with such minimum assignment amounts.

(d) Mechanics. Assignments and assumptions of Loans and Commitments by Lenders shall be effected by manual execution and delivery to the Administrative Agent of an Assignment Agreement. Assignments made pursuant to the foregoing provision shall be effective as of the Assignment Effective Date. In connection with all assignments there shall be delivered to the Administrative Agent such forms, certificates or other evidence, if any, with respect to United States federal income Tax withholding matters as the assignee under such Assignment Agreement may be required to deliver pursuant to Section 2.20(c), together with payment to the Administrative Agent of a registration and processing fee of \$3,500 (except that no such registration and processing fee shall be payable (x) in connection with an assignment elected or caused by a Borrower pursuant to Section 2.23, (y) in connection with an assignment by or to Barclays or any Affiliate thereof or (z) in the case of an assignee which is already a

Lender or is an Affiliate or Related Fund of a Lender or a Person under common management with a Lender).

(e) Representations and Warranties of Assignee. Each Lender, upon execution and delivery hereof or upon obtaining or succeeding to an interest in the Commitments and Loans, as the case may be, represents and warrants as of the Closing Date that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Commitments or Loans, as the case may be; and (iii) it shall make or invest in, as the case may be, its Commitments or Loans for its own account in the ordinary course and without a view to distribution of such Commitments or Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this Section 10.06, the disposition of such Commitments or Loans or any interests therein shall at all times remain within its exclusive control).

(f) Effect of Assignment. Subject to the terms and conditions of this Section 10.06, as of the “Assignment Effective Date” (i) the assignee thereunder shall have the rights and obligations of a “Lender” hereunder to the extent of its interest in the Loans and Commitments as reflected in the Register and shall thereafter be a party hereto and a “Lender” for all purposes hereof; (ii) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned to the assignee, relinquish its rights (other than any rights which survive the termination hereof, including under Section 10.08) and be released from its obligations hereunder (and, in the case of an assignment covering all or the remaining portion of an assigning Lender’s rights and obligations hereunder, such Lender shall cease to be a party hereto on the Assignment Effective Date; provided, that anything contained in any of the Loan Documents to the contrary notwithstanding, (y) the Issuing Bank shall continue to have all rights and obligations thereof with respect to such Letters of Credit until the cancellation or expiration of such Letters of Credit and the reimbursement of any amounts drawn thereunder and (z) such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder); (iii) the Commitments shall be modified to reflect any Commitment of such assignee and any Revolving Commitment of such assigning Lender, if any; and (iv) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to the Administrative Agent for cancellation, and thereupon the applicable Borrower shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Revolving Commitments and/or outstanding Loans of the assignee and/or the assigning Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with the requirements of this Section 10.06 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.06(g). Any assignment by a Lender pursuant to this Section 10.06 shall not in any way constitute or be deemed to constitute a novation, discharge, rescission, extinguishment or substitution of the Indebtedness hereunder, and any Indebtedness so assigned shall continue to be the same obligation and not a new obligation.

(g) Participations.

(i) Each Lender shall have the right at any time to sell one or more participations to any Person (other than any Group Member or any of their respective Affiliates) in all or any part of its Commitments, Loans or in any other Obligation under the Loan Documents: provided, that (A) such Lender’s obligations shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) each Borrower, the Administrative

Agent, each Issuing Bank and each of the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's agreements and obligations.

(ii) The holder of any such participation, other than an Affiliate of the Lender granting such participation, shall not be entitled to require such Lender to take or omit to take any action hereunder except with respect to any amendment, modification or waiver that would (A) extend the final scheduled maturity of any Loan, Note or Letter of Credit (unless such Letter of Credit is not extended beyond the Revolving Commitment Termination Date) in which such participant is participating or the amortization schedule therefor, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of applicability of any post-default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Commitment shall not constitute a change in the terms of such participation, and that an increase in any Commitment or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a result thereof), (B) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under this Agreement or (C) release all or substantially all of the Guaranty of the U.S. Borrower (except as expressly provided in the Loan Documents) supporting the Loans hereunder in which such participant is participating.

(iii) Each Borrower agrees that each participant shall be entitled to the benefits of Sections 2.18(c), 2.19 and 2.20 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.06(c); provided, that such participant agrees to be subject to Sections 2.19 and 2.20 as if it were a Lender; provided, further, that (x) a participant shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, unless the sale of the participation to such participant is made with the Borrower Representative's prior written consent and (y) a participant shall not be entitled to the benefits of Section 2.20 unless such participant agrees, for the benefit of the Borrowers, to comply with Section 2.20 as though it were a Lender; provided, further, that, except as specifically set forth in clause (x) of this sentence, nothing herein shall require any notice to the Borrower Representative or any other Person in connection with the sale of any participation. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.04 as though it were a Lender; provided, that such participant agrees to be subject to Section 2.17 as though it were a Lender. A participant shall not be entitled to the benefits of Section 2.20 to the extent such participant fails to comply with Section 2.20(c).

(iv) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts of each participant's interest in the Commitments, Loans and other Obligations under the Loan Documents held by it (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, letters of credit, or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or Section 1.163-5(b) of the United States Proposed Treasury Regulations (or, in each case, any amended or successor version). The entries

in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such Commitments, Loans and other Obligations under the Loan Documents as the owner thereof for all purposes of this Agreement notwithstanding any notice to the contrary.

(h) **Certain Other Assignments and Participations.** In addition to any other assignment or participation permitted pursuant to this Section 10.06 any Lender may pledge (without the consent of any Borrower or the Administrative Agent) all or any portion of its Loans, the other Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender including to any Federal Reserve Bank as collateral security pursuant to Regulation A of the Board of Governors and any operating circular issued by such Federal Reserve Bank; provided, that no Lender, as between any Borrower and such Lender, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge; provided, further, that in no event shall the applicable Federal Reserve Bank, pledgee or trustee, be considered to be a “Lender” or be entitled to require the assigning Lender to take or omit to take any action hereunder.

(i) **Act on the Financial Supervision.** In order to comply with the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), the amount transferred under this Section 10.06 shall include a portion outstanding from the Euro Borrower or any Loan Party organized in the Netherlands, of at least €100,000 (or its equivalent in other currencies) or such other amount as may be required from time to time under the Dutch Financial Supervision Act (or implementing legislation) or if less, the new Lender shall confirm in writing to the Loan Parties that it is a professional market party (*professionele marktpartij*) within the meaning of the Dutch Financial Supervision Act.

**Section 10.07 Independence of Covenants, Etc.** All covenants, conditions and other terms hereunder and under the other Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, conditions or other terms, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant, condition or other term shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

**Section 10.08 Survival of Representations, Warranties and Agreements.** All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Credit Extension. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Loan Party set forth in Sections 2.18(c), 2.19, 2.20, 10.02 and 10.03 and the agreements of Lenders set forth in Sections 2.17, 9.03(b), 9.06 and 9.09 shall survive the payment of the Loans, the cancellation or expiration of the Letters of Credit and the reimbursement of any amounts drawn thereunder, and the termination hereof.

**Section 10.09 No Waiver; Remedies Cumulative.** No failure or delay or course of dealing on the part of any Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Loan Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to each Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Loan Documents or any of the Hedge Agreements. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any

such right, power or remedy. Without limiting the generality of the foregoing, the making of any Credit Extension shall not be construed as a waiver of any Default or Event of Default, regardless of whether any Agent, Issuing Bank or Lender may have had notice or knowledge of such Default or Event of Default at the time of the making of any such Credit Extension.

**Section 10.10 Marshalling; Payments Set Aside.** Neither any Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Loan Party or any other Person or against or in payment of any or all of the Obligations under the Loan Documents. To the extent that any Loan Party makes a payment or payments to the Administrative Agent or Lenders (or to the Administrative Agent, on behalf of Lenders), or any Agent or Lenders enforce any security interests (if any) or exercise their rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

**Section 10.11 Severability.** In case any provision in or obligation hereunder or under any other Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby (it being understood that the invalidity, illegality or unenforceability of a particular provision in a particular jurisdiction shall not in and of itself affect the validity, legality or enforceability of such provision in any other jurisdiction). The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provisions with valid, legal and enforceable provisions the economic effect of which comes as close as reasonably possible to that of the invalid, illegal or unenforceable provisions.

**Section 10.12 Obligations Several; Independent Nature of Lenders' Rights.** The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled to protect and enforce its rights arising out of this Agreement and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

**Section 10.13 Table of Contents and Headings.** The Table of Contents hereof and Article and Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose, modify or amend the terms or conditions hereof, be used in connection with the interpretation of any term or condition hereof or be given any substantive effect.

**Section 10.14 APPLICABLE LAW.** THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

**Section 10.15 CONSENT TO JURISDICTION.** SUBJECT TO CLAUSE (E) OF THE FOLLOWING SENTENCE, ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY



PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER LOAN DOCUMENT, OR ANY OF THE OBLIGATIONS, SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH LOAN PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, HEREBY EXPRESSLY AND IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS (OTHER THAN WITH RESPECT TO ACTIONS BY ANY AGENT IN RESPECT OF RIGHTS UNDER ANY SECURITY AGREEMENT GOVERNED BY LAWS OTHER THAN THE LAWS OF THE STATE OF NEW YORK OR WITH RESPECT TO ANY COLLATERAL (IF ANY) SUBJECT THERETO); (B) WAIVES (i) JURISDICTION AND VENUE OF COURTS IN ANY OTHER JURISDICTION IN WHICH IT MAY BE ENTITLED TO BRING SUIT BY REASON OF ITS PRESENT OR FUTURE DOMICILE OR OTHERWISE AND (ii) ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE LOAN PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.01; (D) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (C) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE LOAN PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (E) AGREES THAT THE AGENTS AND THE LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT (IF ANY) OR THE ENFORCEMENT OF ANY JUDGMENT. BY ITS SIGNATURE HEREOF, EACH OTHER BORROWER HEREBY APPOINTS THE U.S. BORROWER AS ITS AGENT FOR SERVICE OF PROCESS.

**Section 10.16 WAIVER OF JURY TRIAL.** EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER LOAN DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.16 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER WILL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY

OF THE OTHER LOAN DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

**Section 10.17 Confidentiality.** Each Agent and each Lender (which term shall for the purposes of this Section 10.17 include the Issuing Bank) shall hold all non-public information regarding the Group and their businesses identified as such by the Borrower Representative and obtained by such Agent or such Lender pursuant to the requirements hereof in accordance with such Agent's and such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by the Borrower Representative that, in any event, the Administrative Agent may not disclose such information other than to the Lenders and each Agent, provided, that each Lender may make (i) disclosures of such information to Affiliates or Related Funds of such Lender or Agent and to its and their respective officers, directors, employees, representatives, agents and advisors (and to other Persons authorized by a Lender or Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.17); provided, that, prior to any disclosure, such Affiliates, Related Funds, officers, directors, employees, representatives, agents and advisors and other persons be instructed to preserve the confidentiality of any confidential information relating to the Loan Parties received by it from any Agent or any Lender, (ii) disclosures of such information reasonably required by (A) any pledgee referred to in Section 10.06(h), (B) any bona fide or potential assignee, transferee or participant in connection with the contemplated assignment, transfer or participation of any Loans or any participations therein, (C) any bona fide or potential direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to any Borrower and its obligations or (D) any direct or indirect investor or prospective investor in a Related Fund; provided, that such pledgees, assignees, transferees, participants, counterparties, advisors and investors are advised of and agree to be bound by either the provisions of this Section 10.17 or other provisions at least as restrictive as this Section 10.17, (iii) disclosure to any rating agency when required by it; provided, that, prior to any disclosure, such rating agency be instructed to preserve the confidentiality of any confidential information relating to the Loan Parties received by it from any Agent or any Lender, (iv) disclosures in connection with the exercise of any remedies hereunder or under any other Loan Document and (v) disclosures required or requested by any governmental agency or representative thereof or by the NAIC or pursuant to legal or judicial process; provided, that unless specifically prohibited by applicable law or court order, each Lender and each Agent shall make reasonable efforts to notify the Borrower Representative of any request by any governmental agency or representative thereof (other than any such request in connection with any examination of the financial condition or other routine examination of such Lender by such governmental agency) for disclosure of any such non-public information prior to disclosure of such information. In addition, each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents.

**Section 10.18 Usury Savings Clause.** Notwithstanding any other provision herein, the aggregate interest rate charged with respect to any of the Obligations under the Loan Documents, including all charges or fees in connection therewith deemed in the nature of interest under applicable law, shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Loans made hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this

Agreement had at all times been in effect; provided, that in no event shall the amount paid pursuant hereto be in excess of the amount of interest that would have been due if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, such Borrower shall pay to the Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and each Borrower to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Loans made hereunder or be refunded to the applicable Borrower.

**Section 10.19 Counterparts.** This Agreement may be executed in any number of counterparts (and by different parties hereto on different counterparts), each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission will be effective as delivery of an original executed counterpart thereof.

**Section 10.20 Effectiveness; Entire Agreement; No Third Party Beneficiaries.** This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by the Borrowers and the Administrative Agent of written notification of such execution and authorization of delivery thereof. This Agreement, the other Loan Documents and any commitment or fee letter entered into in connection with this Agreement represent the entire agreement of the Group, the Agents, the Issuing Banks, the Swing Line Lenders, the Arrangers, the Bookrunners and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by any Agent, Issuing Bank, Swing Line Lender, Arranger, Bookrunner or Lender relative to the subject matter hereof or thereof not expressly set forth or referred to herein or in the other Loan Documents. Nothing in this Agreement, in the other Loan Documents or as a result of any applicable laws, express or implied, shall be construed to confer upon any Person (other than the parties hereto and thereto, their respective successors and assigns permitted hereunder and, to the extent expressly contemplated hereby, Affiliates of each of the Agents and Lenders, holders of participations in all or any part of a Lender's Commitments, Loans or in any other Obligations under the Loan Documents, and the Indemnitees) any rights, remedies, obligations, claims or liabilities under or by reason of this Agreement, the other Loan Documents or any law of any jurisdiction which purports to confer such rights, remedies, obligations, claims or liabilities. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of any Agent, the Issuing Bank or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement.

**Section 10.21 PATRIOT Act; Beneficial Ownership.** Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Loan Party that pursuant to the requirements of the PATRIOT Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that shall allow such Lender or the Administrative Agent, as applicable, to identify such Loan Party in accordance with the PATRIOT Act and the Beneficial Ownership Regulation.

**Section 10.22 “Know Your Customer” Checks.** If in connection with (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date hereof, (b) any change in the status of a Loan Party after the date hereof, (c) the addition of any Guarantor pursuant to Section 7.01(b) or (d) any proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that was not previously a Lender hereunder, the Administrative Agent or any Lender (or, in the case of clause (d) above, any prospective Lender) requires additional information in order to comply with “know your customer” or similar identification procedures, each Loan Party shall, promptly upon the request of the Administrative Agent or such Lender, provide such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself or on behalf of any Lender) or such Lender (for itself or, in the case of the event described in clause (d) above, on behalf of any prospective Lender) in order for the Administrative Agent, such Lender or such prospective Lender to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Loan Documents.

**Section 10.23 Electronic Execution.** The words “execution,” “signed,” “signature,” and words of like import in this Agreement, any Assignment Agreement or Loan Document (including without limitation amendments or Borrowing Notices, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as an original executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

**Section 10.24 No Fiduciary Duty.** Each Agent, each Lender, each Arranger, each Bookrunner, each Issuing Bank, each Swing Line Lender and their respective Affiliates (collectively, solely for purposes of this paragraph, the “Lenders”), may have economic interests that conflict with those of each Borrower, its stockholders and/or its Affiliates. Each Borrower agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Borrower, its stockholders or its Affiliates, on the other. The Loan Parties acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm’s-length commercial transactions between the Lenders, on the one hand, and the Borrowers, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Borrower, its stockholders or its Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Borrower, its stockholders or its Affiliates on other matters) or any other obligation to any Borrower except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Borrower, its management, stockholders, creditors or any other Person. Each Borrower acknowledges and agrees that such Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Borrower agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Borrower, in connection with such transaction or the process leading thereto.

**Section 10.25 Judgment Currency.** If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one

currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of any Borrower or any Guarantor in respect of such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “Agreement Currency”), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the applicable Borrower or Guarantor in the Agreement Currency, such Borrower or Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to such Borrower or Guarantor (or to any other Person who may be entitled thereto under applicable law).

#### **Section 10.26 Acknowledgment and Consent to Bail-In of Affected Financial Institutions.**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding between the parties hereto, each party hereto acknowledges that any liability of any Affected Financial Institution under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-in Action on any such liability, including, if applicable:
  - (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

#### **Section 10.27 Acknowledgement Regarding Any Supported QFCs.**

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit

Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 10.27, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following:

(i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

#### **Section 10.28 Obligations of Foreign Subsidiaries.**

Notwithstanding anything in this Agreement or any other Loan Document to the contrary, no Foreign Subsidiary, nor any Subsidiary of the U.S. Borrower that is a CFC Holdco, shall guarantee or pledge any assets as collateral for any obligations (including principal, interest, fees, penalties, premiums, expenses, charges, reimbursements, indemnities or any other Obligations)

of the U.S. Borrower or any other Person that is organized under the laws of a jurisdiction located in the United States, under this Agreement, any other Loan Document, any document with respect to Hedge Agreements, Cash Management Agreements and Treasury Transactions or any other agreement executed and/or delivered in connection with any of the foregoing.

*[Remainder of page intentionally left blank]*



**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

**PVH CORP.**, as U.S. Borrower

By: /s/ Mark D. Fischer  
Name: Mark D. Fischer  
Title: Executive Vice President, General Counsel and Secretary

**PVH ASIA LIMITED**, as Initial Hong Kong Borrower

By: /s/ Mark D. Fischer  
Name: Mark D. Fischer  
Title: Director

**PVH B.V.**, as Euro Borrower

By: /s/ Martijn Hagman  
Name: Martijn Hagman  
Title: Director

By: /s/ Marten Jan Jacob Busscher  
Name: Marten Jan Jacob Busscher  
Title: Director

**Executed by**  
**PVH BRANDS AUSTRALIA PTY LIMITED (ACN** )  
**165 485 290)** )  
in accordance with section 127 of the *Corporations Act* )  
*2001* (Cth) by: )

.....  
Signature of director

/s/ Zachary Coughlin.....  
Zachary Coughlin

.....  
Signature of director

/s/ Stefan Larsson.....  
Stefan Larsson

**BARCLAYS BANK PLC,**  
as Administrative Agent, Swing Line Lender, a Lender and Issuing Bank

By: /s/ Christopher M. Aitkin  
Name: Christopher M. Aitkin  
Title: Vice President

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CITIBANK, N.A.,  
as Lender and Issuing Bank

By: /s/ Michael Vondriska  
Name: Michael Vondriska  
Title: Vice President

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JP MORGAN CHASE BANK, N.A.,  
as Lender and Issuing Bank

By: /s/ James Kyle O'Donnell  
Name: James Kyle O'Donnell  
Title: Vice President

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BANK OF AMERICA, N.A.,  
as Lender and Issuing Bank

By: /s/ Michelle L. Walker  
Name: Michelle L. Walker  
Title: Vice President

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Truist Bank,  
as Lender and Issuing Bank

By: /s/ J. Carlos Navarrete  
Name: J. Carlos Navarrete  
Title: Director

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HSBC Bank USA, National Association,  
as Lender

By: /s/ Catherine Dong  
Name: Catherine Dong  
Title: Vice President

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Citizens Bank, N.A., as Lender

By: /s/ Angela Reilly  
Name: Angela Reilly  
Title: Senior Vice President

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BANK OF CHINA, NEW YORK BRANCH,  
as Lender

By: /s/ Raymond Qiao  
Name: Raymond Qiao  
Title: Executive Vice President

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PVH Credit Agreement

BNP Paribas,  
as Lender

By: /s/ Emma Petersen  
Name: Emma Petersen  
Title: Managing Director

If a second signature is necessary:

By: /s/ Michael Pearce  
Name: Michael Pearce  
Title: Managing Director

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PVH Credit Agreement

STANDARD CHARTERED BANK,  
as Lender

By: /s/ Kristopher Tracy  
Name: Kristopher Tracy  
Title: Director, Financing Solutions

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**DBS BANK LTD.,**  
as Lender

By: /s/ Kate Khoo  
Name: Kate Khoo  
Title: Vice President

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The Bank of Nova Scotia,  
as Lender and Swing Line Lender,

By: /s/ Sarah Shaikh  
Name: Sarah Shaikh  
Title: Managing Director

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U.S. BANK NATIONAL ASSOCIATION,  
as Lender

By: /s/ Joyce P. Dorsett  
Name: Joyce P. Dorsett  
Title: Senior Vice President

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PVH Credit Agreement

Commerzbank AG, New York Branch,  
as Lender

By: /s/ Robert Sullivan  
Name: Robert Sullivan  
Title: Vice President

By: /s/ Jeffrey Sullivan  
Name: Jeffrey Sullivan  
Title: Vice President

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PVH Credit Agreement



PNC BANK, NATIONAL ASSOCIATION,  
as Lender

By: /s/ Lauren M. Potts  
Name: Lauren M. Potts  
Title: Vice President

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ABN AMRO Bank N.V. as Lender

By: /s/ M.P. Schumaker  
Name: M.P. Schumaker  
Title: Managing Director

By: /s/ S.J. van Gilse  
Name: S.J. van Gilse  
Title: Associate Director

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United Overseas Bank Limited, New York Agency  
as Lender

By: /s/ William Sinsigalli  
Name: William Sinsigalli  
Title: Executive Director

By: /s/ Brian Ike  
Name: Brian Ike  
Title: First Vice President

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PVH Credit Agreement

## PVH CORP. SUBSIDIARIES

The following table lists all of the subsidiaries of PVH Corp. and the jurisdiction of incorporation of each subsidiary. Each subsidiary does business under its corporate name indicated in the table.

<b>Name</b>	<b>State or Other Jurisdiction of Incorporation</b>
Aperta Strada Pty Limited	Australia
Area 52 Innovation B.V.	Netherlands
Calvin Klein Europe B.V.	Netherlands
Calvin Klein Jeanswear Company	Delaware
Calvin Klein Stores UK Limited	United Kingdom
Calvin Klein, Inc.	New York
CK Jeanswear Australia Pty Limited	Australia
CK Logistics B.V.	Netherlands
CK Stores B.V.	Netherlands
CK Underwear Australia Pty Limited	Australia
CKJ Holdings, Inc.	Delaware
Cluett, Peabody & Co., Inc.	Delaware
Confezioni Moda Italia S.r.l.	Italy
Designer Holdings Ltd.	Delaware
Gazal Apparel Pty Limited	Australia
Gazal Clothing Company Pty Limited	Australia
Gazal Corporation Pty Limited	Australia
Gazal Employee Share Plan Pty Limited	Australia
Hilfiger Stores B.V.	Netherlands
Operadora de Tiendas de Menudeo S. de R.L. de C.V.	Mexico
PVH (India) Ltd.	British Virgin Islands
PVH (Macao) Company Limited	Macao
PVH Asia Limited	Hong Kong
PVH B.V.	Netherlands
PVH Belgium BV	Belgium
PVH Brands Australia Pty Limited	Australia
PVH Brands Austria GmbH	Austria
PVH Brands Belgium BV	Belgium
PVH Brands Croatia d.o.o.	Croatia
PVH Brands Czechia s.r.o.	Czech Republic
PVH Brands Denmark ApS	Denmark
PVH Brands Europe B.V.	Netherlands
PVH Brands Germany GmbH	Germany
PVH Brands Ireland Limited	Ireland
PVH Brands Luxembourg S.a.r.l	Luxembourg
PVH Brands Netherlands B.V.	Netherlands
PVH Brands NZ Limited	New Zealand
PVH Brands Poland Sp. z o.o	Poland
PVH Brands Sweden AB	Sweden

<b>Name</b>	<b>State or Other Jurisdiction of Incorporation</b>
PVH Brands Switzerland Gmb	Switzerland
PVH Canada, Inc.	Canada
PVH Commerce (Shanghai) Company Limited	China
PVH Commercial Malaysia Sdn Bhd	Malaysia
PVH Dongguan Trading and Services Company Limited	China
PVH Europe B.V.	Netherlands
PVH Far East Limited	Hong Kong
PVH Finland OY	Finland
PVH France SAS	France
PVH Gift Card Company LLC	Virginia
PVH gTLD Holdings LLC	Delaware
PVH Guam, Inc.	Delaware
PVH Heritage Brands Australia Pty Limited	Australia
PVH Hong Kong Limited	Hong Kong
PVH International B.V.	Netherlands
PVH Italia S.r.l.	Italy
PVH Japan Ltd.	Japan
PVH Kenya Limited	Kenya
PVH Korea Co., Ltd.	Korea
PVH Management Consultant (Shanghai) Ltd.	China
PVH MEA FZE	Dubai
PVH Neckwear, Inc.	Delaware
PVH Norge AS	Norway
PVH Prince C.V. Holding Corporation	Delaware
PVH Puerto Rico LLC	Delaware
PVH Puerto Rico, Inc.	Delaware
PVH Realty Corp.	Delaware
PVH Retail Stores LLC	Delaware
PVH Services India Limited	India
PVH Services Limited	United Kingdom
PVH Services S. de R.L. de C.V.	Mexico
PVH Shanghai Co. Ltd.	China
PVH Singapore Private Limited	Singapore
PVH Socks, Inc.	Delaware
PVH Stores Portugal, Unipessoal Lda.	Portugal
PVH Stores Rus LLC	Russia
PVH Stores Spain Moda, S.L.	Spain
PVH Taiwan Company Limited	Taiwan
PVH Turkey Sourcing Isletme Destek Hizmetleri Limited Sirketi	Turkey
PVH UK Group Limited	United Kingdom
PVH UK Limited	United Kingdom
PVH Wholesale Corp.	Delaware
PVH Wholesale New Jersey, Inc.	Delaware
Stitch Digital BV	Netherlands

<b>Name</b>	<b>State or Other Jurisdiction of Incorporation</b>
Sunshine A Pty Ltd.	Australia
Sunshine B Pty Ltd.	Australia
TH Asia Limited	Hong Kong
TH Australia Holding Pty Limited	Australia
The Warnaco Group, Inc.	Delaware
Tomcan Investments Inc.	Delaware
Tommy Hilfiger (HK) Limited	Hong Kong
Tommy Hilfiger (Shanghai) Apparel Co. Ltd.	China
Tommy Hilfiger Corporation	British Virgin Islands
Tommy Hilfiger Europe B.V.	Netherlands
Tommy Hilfiger Licensing B.V.	Netherlands
Tommy Hilfiger Licensing LLC	Delaware
Tommy Hilfiger Marka Dagitim Ve Ticaret Anonim Sirketi	Turkey
Tommy Hilfiger Retail, LLC	Delaware
Tommy Hilfiger Stores Norge AS	Norway
Tommy Hilfiger Trading (Shanghai) Co., Limited	China
Tommy Hilfiger U.S.A. Inc.	Delaware
Tommy Hilfiger Wholesale, Inc.	California
True & Co. Delaware	Delaware
Warnaco Apparel SA (Proprietary) Limited	South Africa
Warnaco Inc.	Delaware
Warnaco U.S., Inc.	Delaware
WBR Industria e Comercio de Vestuario Ltda.	Brazil
Wellrose Ltd.	Hong Kong

March 28, 2023

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the following Registration Statements:

- (i) Registration Statement (Form S-8 No. 333-125694) pertaining to the Phillips-Van Heusen Corporation Associates Investment Plan for Residents of the Commonwealth of Puerto Rico,
- (ii) Registration Statement (Form S-8 No. 333-143921), Registration Statement (Form S-8 No. 333-151966), Registration Statement (Form S-8 No. 333-160382), Registration Statement (Form S-8 No. 333-175240), Registration Statement (Form S-8 No. 333-183800), Registration Statement (Form S-8 No. 333-186707), Registration Statement (Form S-8 No. 333-206746), Registration Statement (Form S-8 No. 333-220250) and Registration Statement (Form S-8 No. 333-239295) each of which pertains to the PVH Corp. Stock Incentive Plan, and
- (iii) Registration Statement (Form S-8 No. 333-158327) and Registration Statement (Form S-8 No. 333-259486) each of which pertains to the PVH Associates Investment Plan;

of our reports dated March 28, 2023, with respect to the consolidated financial statements and schedule of PVH Corp. and the effectiveness of internal control over financial reporting of PVH Corp. included in this Annual Report (Form 10-K) of PVH Corp. for the year ended January 29, 2023.

/s/ Ernst & Young LLP

New York, New York  
March 28, 2023

I, Stefan Larsson, certify that:

1. I have reviewed this Annual Report on Form 10-K of PVH Corp.;
2. Based on my knowledge, this Annual 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 Annual Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Annual 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 Annual 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 Annual 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: March 28, 2023

/s/ Stefan Larsson  
Stefan Larsson  
Chief Executive Officer



I, Zachary Coughlin, certify that:

1. I have reviewed this Annual Report on Form 10-K of PVH Corp.;
2. Based on my knowledge, this Annual 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 Annual Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Annual 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 Annual 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 Annual 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: March 28, 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 Annual Report on Form 10-K of PVH Corp. (the “Company”) for the fiscal year ended January 29, 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: March 28, 2023

By: /s/ Stefan Larsson

Name: 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 Annual Report on Form 10-K of PVH Corp. (the “Company”) for the fiscal year ended January 29, 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: March 28, 2023

By: /s/ Zachary Coughlin  
Name: 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.