

# 2019

social impact report

kate spade  
NEW YORK



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## a note from us

at kate spade new york, we believe that women and girls are the heroines of their own stories. in line with this belief, we have long invested in the economic empowerment of women, supporting entrepreneurs and providing access to education and resources that have proven to be central to a woman's path toward economic security. over the last ten years, we have seen the impact that economic empowerment has on her families and communities. and over the last seven years, through our social enterprise work in rwanda, we have seen the transformative effect that mental well-being care has had on women and girls.

so what is mental well-being? it's all about feeling good, functioning and developing as people, being satisfied with our lives and having strong relationships with others. statistics show that many of us will either experience, or know someone who is experiencing challenges, with their mental health. (in fact, you are currently reading a letter written by a woman who is still learning how to best care for her own self.) research shows that mental well-being is important for all of us to feel our best, and to be able to positively impact our families, communities, economies and governments.

going forward, we will be placing a greater emphasis on the role that mental well-being plays in the empowerment of women and girls. but we will also continue to invest in increasing their agency and economic opportunity and improving the communities that women and girls call home. it's all part of our social impact portfolio, which you can read more about in the pages that follow.

our journeys of empowerment are just that: journeys. not destinations. the beauty of a journey is the unexpected friends you meet along the way, the lessons you learn from the challenges faced, and the mountains climbed together that you could never have summited alone.

we at kate spade new york are with you on your own empowerment journey. and we are looking forward to taking our next steps together.

*Taryn Bird*

taryn bird  
director, social impact

## about us

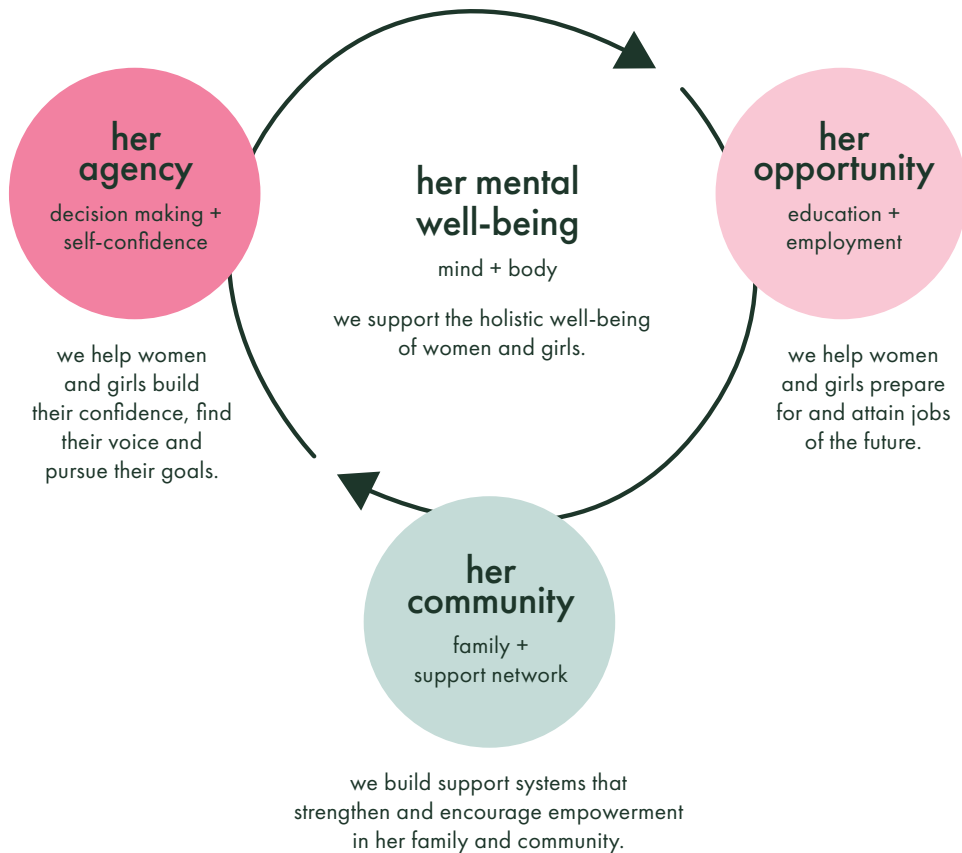
kate spade new york was founded in 1993 by a female entrepreneur, kate brosnahan spade, looking to fill a void in the handbag market. she had bold ideas and a singular vision to create products unlike any she had seen before. that was over 25 years ago, and her entrepreneurial spirit and commitment to women's empowerment continues to inspire us today.

today, our brand's senior corporate leadership team, and our corporate and retail employees are approximately 90% female. furthermore, all six of the programs that make up kate spade new york's social impact portfolio are specifically dedicated to empowering women and girls, with a focus on increasing their agency, improving their mental well-being, strengthening their communities, and expanding their access to economic opportunities.

we believe that all women are the heroines of their own stories, and that empowered women can transform the world.

# her empowerment

we are committed to increasing the agency of women and girls, strengthening their communities and expanding their access to opportunities, while keeping their mental well-being at the heart of their empowerment journeys.

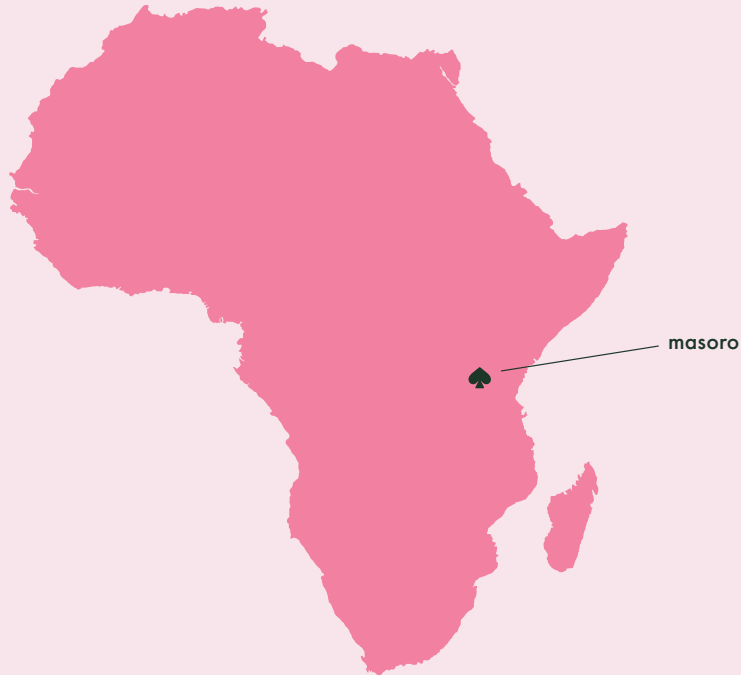


at kate spade new york, our impact work is threaded within the six key programs of our social impact portfolio, all of which are dedicated to empowering women, girls and their communities.

	<i>on purpose</i>	foundation	volunteering	product donation	mind body soul	speaker series
her agency	♠	♠			♠	♠
her mental well-being	♠	♠			♠	♠
her opportunity	♠	♠		♠		♠
her community	♠	♠	♠	♠	♠	♠



# about *on purpose*



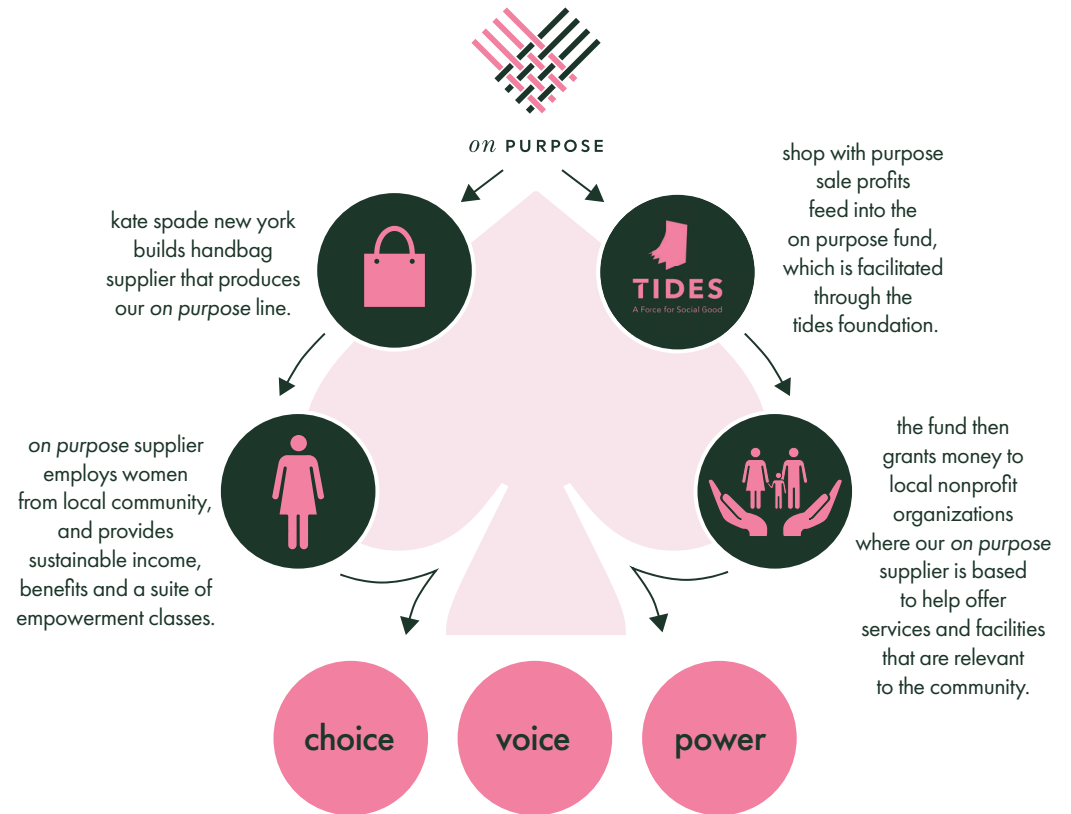
*on purpose* is our social enterprise initiative, with a mission to use our *on purpose* supply chain to empower women and girls to be the heroines of their own stories.

*on purpose* is a blended finance model. first, through our commercial capital, we establish for-profit handbag manufacturers that provide full-time employment, fair wages, maternity leave, career growth and educational resources to women. we then source products for our *on purpose* collection from these suppliers. a portion of the cost of making each *on purpose* tote, pouch or crossbody goes directly back to supporting the factory's women's empowerment programming.

second, with our philanthropic *on purpose* fund, we invest in vetted and experienced nonprofits working in our *on purpose* suppliers' communities.

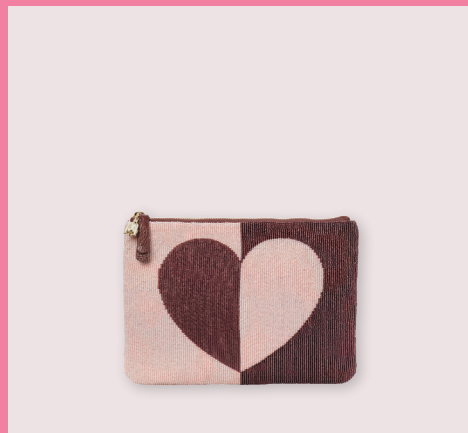
this two-part strategy allows us to accelerate transformation and sustainable growth in the places where our *on purpose* suppliers are based, impacting the women, their families and the communities they call home.

# how it works



# about the *on purpose* collection

with the *on purpose* collection, we integrate our social impact work directly into our business, enabling us to create sustained change in marginalized communities and to engage our brand's corporate employees, store teams, and customers in bringing our women's and girls' empowerment work to life. every season, our *on purpose* pieces are designed with the same inspirations and ideas as the rest of the collection, and they are sold in our e-commerce, specialty and outlet stores globally. we highlight their unique story through a special hangtag on the product, signed by its maker, and through storytelling on our digital platforms and signage in our stores.



# about abahizi rwanda

our first *on purpose* supplier is based in masoro, rwanda. an independent employee-owned handbag manufacturer, abahizi rwanda employs over 230 women from the local community, providing them with competitive wages, health benefits and access to a life skills education program. a certified b corp with an independent board of directors, abahizi rwanda balances financial goals with its social mission, and in 2019, produced 40,314 handbags for kate spade new york, representing a 48% increase over the previous year.



# how we measure empowerment

every year *on purpose's* impact is verified by a third-party professional research firm in rwanda. in 2019, abahizi rwanda's all-employee-survey results showed:

## her agency

decision making + self-confidence

- joint decision making in family planning has increased 21% year over year
- women reported that 70% of their health decisions were self-empowered, up from 60% in 2018
- 92% of employees (and 85% of those in leadership roles) at abahizi rwanda are women

## her mental well-being

mind + body

- 57% of artisans felt a high or very high sense of self-empowerment
- self-confidence levels have risen, year over year
- 51% of employees rank themselves as in good or very good health, a 10% increase year over year

## her opportunity

education + employment

- 76% of women are actively saving money
  - 46% of women at abahizi rwanda own a business within the community
  - 142 businesses are owned by artisans at abahizi rwanda, a 41% increase year over year
- 61% of women employed by abahizi rwanda own land

## her community

family + environment

- 95% of artisans' children attend school
- 208 members of the community are directly employed by employees of abahizi rwanda
  - year over year, there has been a 48% increase in the number of community members employed through businesses owned by abahizi rwanda artisans



# about the *on purpose* fund

in 2018, we began our *on purpose* fund with the tides foundation to support local nonprofit organizations that implement women's and girls' empowerment programs and services in communities where our *on purpose* supplier is based. community programs supported by the fund include athletic activities, reading groups, leadership courses, house maintenance and entrepreneurship education programs. in this way, we are not only empowering women at work through our partnership with abahizi rwanda, but also in the communities in which they live.

throughout the year, we host shop with purpose events in our stores and online. a percentage of net sales from each event is donated to the *on purpose* fund. with the support of our customers and employees, we have donated over \$2 million to date to partners implementing community-based programs for the people in masoro, rwanda, where our supplier abahizi rwanda is based. additionally, each year corporate employees in kate spade new york's offices host a fundraising day for the *on purpose* fund. in 2019, they raised over \$55,000.



# partner spotlight: the masoro sport and learning center

in 2019, in partnership with the nonprofit general architecture collaborative, we completed construction on the masoro sport and learning center. with a library, classrooms, meeting spaces, a community garden, a dance/yoga studio and a basketball court, the MSLC has something to offer everyone in the community where our *on purpose* supplier is based.



  
Africa Yoga Project

  
MindLeaps

  
GARDENS FOR  
HEALTH  
INTERNATIONAL

  
AFRICAN  
ENTREPRENEUR COLLECTIVE

## our on purpose fund partners

on purpose wouldn't be what it is today without incredible partners that share our vision. kate spade new york collaborates with a team of local and international nonprofits, businesses, community leaders and consultants to deliver the impact we envision for on purpose suppliers and their communities.

  
resonate  
women leading change

  
dot.  
RWANDA



22

women-owned  
businesses are receiving  
continued support  
via monthly individual  
consultations

+50%

of program participants  
are women and girls



485

local workers were  
hired to build the  
masoro sport and  
learning center

## on purpose fund highlights

more than  
1,100  
masoro residents  
take part in our  
partner programs



more than  
40

classes or seminars are  
held weekly across  
all partner programs



## josephine's story

"i participate in the shooting touch [basketball] program, which gives me time during the week to just have fun and connect with others in my community. i have made many new friends there, and my daughter is my coach, which has strengthened our relationship greatly! thanks to the support of the *on purpose* fund, i now feel like i have a new kind of agency. i have more control over my own life, and i value myself more—there is nothing that makes me feel more like a successful woman than being able to support my family, financially and otherwise."

- **josephine**, masoro community member who has been employed by and taken part in our *on purpose* partner programs



12

organizations operated programming in 2019 with grants provided by the kate spade new york foundation

the total sum dispersed was

\$1.2

million

in 2019, the foundation helped to serve more than

800

women and girls in new york and new jersey through gender-specific programming

## about the kate spade new york foundation

since 2015, the kate spade new york foundation has made the empowerment of women a priority, providing approximately \$1.2 million per year in grants to nonprofit organizations that share that goal. in 2019, the foundation updated its mission to include mental well-being as an area of focus, further aligning to the brand's overall social impact mission of empowering women and girls to be the heriones of their own stories. the foundation's giving is focused in the u.s. communities where kate spade new york has a significant presence, as well as a limited number of national initiatives.

\$285,000

given toward our \$1 million commitment to promote mental well-being

50%

of grant recipients were women-led organizations

all grantees promise gender parity in their populations served, except for those that are solely focused on women and girls.



start small  
THINK!  
BIG!



FOUNTAIN  
house + body  
A SOCIAL ENTERPRISE BY FOUNTAIN HOUSE

girls who  
CODE

## our kate spade new york foundation partners

the kate spade new york foundation is pleased to support a range of nonprofit organizations whose goals complement our own, and whose operations further our mission.

JED

NEW  
IN  
C  
NEW  
MUSEUM

Didi Hirsch  
MENTAL HEALTH SERVICES

GHETTO  
FILM  
SCHOOL

RISING TIDE  
CAPITAL

PURSUIT

## grantee spotlight:



**RISING TIDE**  
CAPITAL

rising tide capital (rtc) supports low-income women entrepreneurs in hudson county, new jersey by providing them with business education and coaching to prepare them for the rapidly emerging future economy. between january and september 2019, 218 women were served by rtc's 12-week community business academy and its year-round follow-up, the business acceleration services program. with the support of the kate spade new york foundation, a total of 367 hours of BAS coaching and consulting have been provided, and 97 female-owned businesses have been either started, strengthened or expanded. additionally, rtc has boosted its spanish-language offerings to serve a total of 188 spanish-speaking women, exceeding its target goal of 120 by 57%.

"support from the kate spade new york foundation has been transformational for women whose entrepreneurial potential has been overlooked. on average, rtc's entrepreneurs increase their household income by 63% within two years of enrolling in our community-based support programs. by philanthropically investing in rtc, the kate spade new york foundation is building more resilient, innovative communities, led by inspiring women who hold the key to an inclusive, sustainable and flourishing future economy."



—alfa demmellash, ceo and cofounder, rising tide capital

## grantee spotlight:

**FOUNTAIN**  
house + body

A SOCIAL ENTERPRISE BY FOUNTAIN HOUSE

fountain house was founded in 1948 with the belief that people living with serious mental illness can be active participants in their own and each other's recovery. in 2019, the kate spade new york foundation assisted in the establishment of a new fountain house social enterprise: fountain: house + body, a sustainable home goods store developed and run by people living with serious mental illness. currently, the new york city shop employs 30 fountain house members for six to eight months apiece in part-time transitional employment positions. through this newly established business, fountain house is supporting the psychological advancement of its members, inspiring a deeper understanding of mental health recovery and demonstrating the ability of people with mental illness to thrive in society.

## grantee spotlight:

girls who  
**code**

girls who code's mission is to close the gender gap in technology through programming that aims to spark and sustain students' interest in computer science, preparing them to pursue and succeed in stem careers. with the support of the kate spade new york foundation, gwc aims to allow every girl in new york city to have the opportunity to learn to code. in 2019, the kate spade new york foundation funded its fourth gwc summer immersion program, providing life-changing intensive computer science education, mentorship and career-readiness training to 20 girls. as a part of that program, our employees hosted the participants at the kate spade new york corporate office for discussions and mentoring sessions, and facilitated visits to prestigious tech companies.

"for my group's final project, we created an educational website that encourages young people to become politically active."

—emily b., high school student and participant in the kate spade new york foundation gwc summer immersion program



# about our product donation program

all full-time corporate employees at kate spade new york north america are eligible for one annual merchandise donation made on their behalf to a qualifying nonprofit fundraising event of their choice. additionally, we donate product in bulk to new york-based nonprofit organizations whose missions align with our own. in 2019, we donated over \$100,000 worth of products.

## recipient spotlights:

### the born this way foundation

"the generous donation from kate spade new york allowed the born this way foundation to support incredible organizations around the country in unexpected and kind ways. one example: some of the jewelry, clothing and shoes donated went to oakland's wardrobe for opportunity to support women in their search for employment and independence."

—maya enista smith, executive director of the born this way foundation

### the grace institute

"the 'dress with grace' event helped me to build my confidence for job interviews. i received a kate spade new york bag, which allowed me to look and feel the part."

—shanise r, 26, recent graduate of the grace institute's administrative professional program

# how our employees give back



kate spade new york encourages all teams to take time to volunteer during the year. we also provide internal opportunities for our corporate employees to give back to their communities through charitable drives and mentorship moments. this past year, kate spade new york employees completed approximately 1,000 volunteer hours.

# volunteer program spotlight:

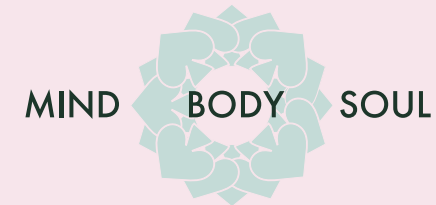


on september 10, 2019, store employees who had gathered in marco island, florida for our annual store leaders conference spent a day volunteering with a local chapter of dress for success. dress for success enables women to achieve economic independence by providing professional attire, development tools and a network of support to help them thrive at work. our 350 store leaders spent the morning organizing racks of donated clothing and writing encouraging notes to women reentering the workforce; they also donated 250 handbags to the chapter.



# matching gifts

the kate spade new york matching gifts program allows us to celebrate and support the causes our associates care about. in 2019, the kate spade new york foundation matched approximately \$70,000 given by our employees to nonprofit organizations.



# how we support our employees' well-being

in 2018, kate spade new york launched the mind, body, soul initiative to create a community of support and raise awareness about wellness and the resources available to employees through kate spade new york, tapestry and the broader wellness community. programming includes expert-led bimonthly meditation sessions and quarterly newsletters about wellness. our employees are also encouraged to take a mindful moment in the new meditation room located at our kate spade new york corporate offices. kate spade new york is committed to aligning our external work on mental well-being with the experiences of our brand's corporate and field associates.

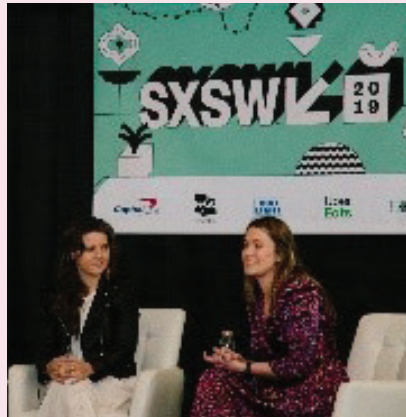


# our year in review

in 2019, we were pleased to share our social impact work with our customer and with the community, in forums that spanned from tech discussions to fashion magazines. highlights included:



an *on purpose* bag was featured in *us weekly*.



at *sxsw*, our director of social impact, taryn bird, hosted a dinner for inspiring women and a panel, both in partnership with cora founder, molly hayward.



at the world-changing women summit, kate spade new york screened a documentary about *on purpose* and hosted a discussion about what it means to be the heroine of your own story.



an executive from kate spade new york discussed *on purpose* as part of a panel at the fashion tech forum.



taryn bird appeared on a CFDA panel about fashion's role in the community.





## the future is bright

as we look forward to 2020 and beyond, we are committed to empowering women and girls in new york city and around the world. we are deeply grateful to be a member of a global community that is advancing the role women and girls play in our families, our economies and our communities.

we will continue to focus on our four pillars, while placing increased emphasis on the role mental well-being plays in the empowerment of women and girls, speaking to the mental well-being of women and girls across our global platforms, in stakeholder communities and with our customer, to bring her along this journey with us.

in addition, 2020 will mark the first year all of our social impact programs are aligned under one mission and one team. we will strengthen our existing initiatives, while also introducing new partners to our social impact work. we will continue to learn from our partners in rwanda and new york city, our customers and our corporate associates. we hope to connect with women and girls around the world so they can share in our journey of becoming the heroines of our own stories.

we are incredibly grateful for all that you do. together we will continue to empower women and girls the world over.



