

*Honesty*  
*Integrity*  
*Respect*  
*Accountability*

# ETHICS

KATE SPADE & COMPANY

CODE OF ETHICS AND BUSINESS PRACTICES

Dear Fellow Associate:

The most highly respected companies are praised not only for their financial results, but also for the strength of their ethics and business practices. At Kate Spade & Company we will uphold the highest standard of ethics. Our reputation for ethics and integrity will be judged by our actions - on how each of us conducts our Company's business each day.

The following pages present the updated Kate Spade & Company Code of Ethics and Business Practices. It outlines the high ethical standards that we support and details how our associates, independent contractors, temporary personnel and outside business partners should conduct themselves. The Code also highlights areas of the law we all must comply with. I ask that each of you read the Code carefully and refer to it for guidance. It is each individual's responsibility to comply with the Code in all respects. While laws and business customs may vary in the different countries and cultures in which we operate, our common goal is, and must be, to follow our standards in every place we do business.

The Ethics and Business Practices Committee, comprised of our General Counsel, Chief Accounting Officer and Chief Financial Officer, oversee our ethics and business practices program.

The Code cannot cover every situation where choices and decisions must be made. There are numerous other Company policies, many of which are included in our Associate Handbook, Standards of Engagement and other Company rules and procedures that should be used as references. In many cases, good common sense is our best guide. When in doubt, please reach out for assistance to your supervisor, Human Resources, the Legal Department or members of the Ethics and Business Practices Committee. In addition, we have an ethics hotline at 1-800-753-3030 available so that you may report any issues on an anonymous basis.

**HONESTY, INTEGRITY, RESPECT AND ACCOUNTABILITY** are core values of Kate Spade & Company. In executing our responsibilities, we should all strive to do what is right and appropriate, making ours a Company that each of us can be proud of. I know I can count on each of you to adhere to the Company's high standards and continue to build on the stellar reputation of our Company.

Sincerely,



Craig A. Leavitt  
Chief Executive Officer

# CODE OF ETHICS AND BUSINESS PRACTICES

## *Table Of Contents*

INTRODUCTION .....	1
OUR GENERAL PRINCIPLES .....	1
OBLIGATIONS OF EACH ASSOCIATE.....	1
Understand The Code And The Law .....	1
Comply With The Code, Company Policies And The Law.....	2
Communicate Actual Or Suspected Violations .....	2
How Can You Be Sure That You Are Doing The Right Thing? .....	2
POLICIES AND PRACTICES.....	3
CONFLICTS OF INTEREST.....	3
Holding a Significant Interest in Suppliers, Customers, or Competitors.....	4
Outside Employment .....	4
Gifts and Business Entertainment.....	4
COMPANY INFORMATION, RECORDS AND PROPERTY.....	5
Confidential Company Information.....	5
Maintaining Accurate Books And Records .....	5
Bribes And Kickbacks.....	6
The Company's Trademarks, Intellectual Property and Assignment of Rights .....	6
Company Systems: Electronic Media And Services.....	7
Privacy Of Personal Information.....	7
Corporate Opportunities.....	7
CONDUCT IN THE WORKPLACE .....	7
Equal Employment Opportunity And Affirmative Action.....	8
Sexual And Other Workplace Harassment .....	8
Violence In The Workplace.....	9
GOVERNMENT AND REGULATORY INVESTIGATIONS AND LEGAL ACTIONS AND PROCEEDINGS .....	9
FAIR DEALING .....	9
COMPLYING WITH LAW.....	10
TRADE REGULATIONS .....	10
GLOBAL SOURCING AND HUMAN RIGHTS.....	10
ANTITRUST AND COMPETITION LAWS.....	11
Relationships With Customers .....	11
Relationships With Competitors .....	11
Relationships With Suppliers .....	11
INSIDER TRADING AND COMMUNICATIONS WITH SECURITIES INDUSTRY PROFESSIONALS AND STOCKHOLDERS .....	12
ANTI-BRIBERY LAWS, INCLUDING FOREIGN CORRUPT PRACTICES ACT .....	12
INTELLECTUAL PROPERTY: COPYRIGHTS, TRADEMARKS AND PATENTS.....	13
POLITICAL ACTIVITIES AND CONTRIBUTIONS.....	13
HEALTH, SAFETY AND THE ENVIRONMENT .....	14
MARKETING, ADVERTISING AND PRODUCT LABELING .....	14
ANTI-BOYCOTT LAWS.....	14
ACKNOWLEDGEMENT .....	15
APPENDIX	
International Telephone Numbers for Ethics Hotline by Country .....	17



## INTRODUCTION

### OUR GENERAL PRINCIPLES

Our ethics policy is simple: we must each conduct all Company activities with the highest level of integrity and ethics, complying with the letter and the spirit of all applicable laws and regulations. In other words, we should avoid doing anything that may be, or even appear to be, illegal, unethical or improper and each associate should endeavor to deal fairly and honestly with the Company's customers, suppliers, competitors and fellow associates. In this way, we will uphold our common values of HONESTY, INTEGRITY, RESPECT AND ACCOUNTABILITY.

The purpose of this Code is to describe our standards of ethics and business practices. These standards apply to all associates of the Company throughout the world, as well as to our Board of Directors. As representatives of the Company, we should each be personally committed to complying with all Company policies and procedures, and demonstrating the highest standards of ethical business conduct, which includes obeying the spirit and letter of all applicable laws and regulations. We must also demand the same from our independent contractors, temporary personnel and others outside the Company with whom we choose to do business.

Laws and customs may vary from country to country. However, our Code and policies present the minimum level of conduct required of everyone.

Where local law or custom is more permissive than Company policy in a particular area, the Company Code or policy should be followed; when local law or custom calls for a higher standard, the higher standard should be followed.

### OBLIGATIONS OF EACH ASSOCIATE

#### UNDERSTAND THE CODE AND THE LAW

We all have a responsibility to make sure our ethics and business practices program works. To fulfill this responsibility, all associates, members of our Board of Directors, independent contractors, temporary personnel and outside business partners (referred to collectively herein, for ease of reference only, as "associates") should:

Read this entire booklet thoroughly and become familiar with it.

Read the formal policies noted in the Code.

Learn about the areas of law that impact your work area and think about how compliance issues affect these areas, and plan for them. Also, read the information the Company distributes about legal compliance.

The Ethics and Business Practices Committee, consisting of the Company's General Counsel, Chief Accounting Officer and Chief Financial Officer, supervises our ethics and business

practice program. You should not hesitate to contact any member of the Committee if issues arise.

If you do not understand something in the Code, please seek out assistance. Throughout the Code, contacts are provided as references for specific areas. A separate phone list for these contacts is being provided to you. Reach out to these associates if you have questions. In addition, you can always discuss concerns with your supervisor, Human Resources or the Legal Department.

## COMPLY WITH THE CODE, COMPANY POLICIES AND THE LAW

Each associate and Director must comply with the spirit and the letter of the Code, our Company policies, and all applicable laws and regulations. This is a condition of each associate's employment. Failure to comply will result in disciplinary action, which may include termination. Activities that violate the Code or the Company's policies are prohibited unless specifically approved in advance by the Ethics and Business Practices Committee, or, in the case of an executive officer or Director, the Board of Directors.

## COMMUNICATE ACTUAL OR SUSPECTED VIOLATIONS

We should all be alert and sensitive to situations that could result in violations of the Code, our Company policies or the law. Each associate has an obligation to report any conduct that may constitute such a violation.

Generally, such matters should be raised first with your immediate supervisor, or Company business contact (referred to herein, for ease of reference only, as "supervisor"). This may provide valuable insights or perspectives and encourage resolution of problems within the appropriate area. However, if you are uncomfortable bringing this matter up with your supervisor, or you do not believe the supervisor has dealt with the matter properly, you should raise the matter with Human Resources, the Legal Department or a member of the Ethics and Business Practices Committee. In addition, you can report concerns on an anonymous basis through our corporate ethics hotline at 1-800-753-3030 in the U.S. and Canada and at the numbers listed on the appendix of this Code for your country. All inquiries, however reported, will be handled on a confidential, "need-to-know" basis.

In addition, each associate should promptly report any issues relating to the Company's accounting, auditing or internal controls to the Company's Chief Accounting Officer or Legal Department or to the ethics hotline at 1-800-753-3030 in the U.S. and Canada or at the number listed on the appendix of this Code for your country.

Regardless of how a report is made, no associate will suffer any retaliation of any kind for reporting in good faith a violation of the Code, any Company policy or the law. In addition, no associate will suffer any retaliation for filing any complaint with any federal, provincial or local government agencies or for exercising any legal right.

## HOW CAN YOU BE SURE THAT YOU ARE DOING THE RIGHT THING?

No matter what your job, you make decisions every day that affect the Company and your co-workers. Sometimes, circumstances can blur the line between right and wrong.

When in doubt, you should ask yourself:

Do I have all the information I need to make a good decision?

Does my decision appear inappropriate or dishonest?

Am I complying with the intent of the Company's policies?

How would the Company react?

What could the impact on the Company be as a result of my actions?

Does it hurt anyone?

How do I feel about it?

Would I want to read about it on the front page of the newspaper?

If your answers do not sit well with you, it may be that whatever you are considering is the wrong thing to do. If this is the case, you should reach out for help.

## POLICIES AND PRACTICES

Below are summaries of key Company policies relating to ethics and business practices. Compliance with these policies is a condition of each associate's employment. You should refer to these summaries, as well as the Company's formal policies in these areas, to help you make appropriate decisions. All key Company policies are posted on our Company intranet under "Company-Policies."

## CONFLICTS OF INTEREST

Conflicts of interest arise when there is opportunity for personal gain beyond the usual rewards of employment or when an associate's interests collide with the interests of the Company. Conflict situations arise whenever there is doubt about an associate's ability to act in an objective manner. Each associate and Director must avoid doing anything that compromises or appears to compromise his or her judgment or that places or appears to place his or her personal interests and the Company's interests at odds.

Conflicts of interest can arise whenever you hold a significant interest in, engage in outside work for, or receive any personal benefit or gift from, any of our vendors, suppliers, contractors, licensees, customers, or competitors. Conflicts also arise when you compete with the Company or when you are presented with a business opportunity that is received by reason of your position with the Company and in which the Company may be interested.

It is impractical to list every activity or interest that might constitute a "conflict of interest." There are also many borderline situations that need evaluation based on all relevant

information. When in doubt, ask your supervisor or contact Human Resources for help.

The following are examples of conflict of interest situations and our Company policy with respect to such situations:

#### HOLDING A SIGNIFICANT INTEREST IN SUPPLIERS, CUSTOMERS, OR COMPETITORS

The Company requires that associates (and their immediate family, namely spouses, domestic partners and family living in the same household as the associate) not have any ownership interest in, or own property with, any of the Company's vendors, suppliers, contractors, agencies, customers, or competitors (or their officers or associates) unless the Company determines that such ownership interest does not conflict with obligations owed to the Company. These restrictions do not apply to ownership of stock of a public company if such ownership is less than 1% of the outstanding stock of that company.

#### OUTSIDE EMPLOYMENT

The Company's dedication to excellence and quality requires a commitment from its associates. We realize, however, that some associates may need or want to work elsewhere as well. The Company does not object to outside employment as long as it does not interfere with an associate's primary employment with us and does not create an actual or perceived conflict of interest. Outside employment will not be considered an excuse for poor performance, absenteeism, lateness or lack of commitment to your job responsibilities. If an associate has or acquires an additional position outside the Company, they should notify their supervisor. Members of management are strongly discouraged from engaging in employment outside of the Company.

#### GIFTS AND BUSINESS ENTERTAINMENT

Accepting gifts or entertainment from those our Company does business with could be perceived to influence decisions or create a sense of obligation. Also, offering gifts and entertainment can raise similar issues. To ensure the highest level of objectivity in dealing with the Company's vendors, suppliers, licensees, licensors, contractors, customers, competitors and agents, and to avoid the appearance of impropriety, you should not accept or offer any gift or entertainment unless it:

- Is unsolicited and offered infrequently;

- Does not involve special treatment, such as free services, special discounts, or other special favors;

- Is reasonable in its value and scope, and in good taste;

- Is customary and part of your normal business practices to accept or offer such item;

- Does not impose or create the appearance of imposing a sense of obligation on either the giver or the recipient; and

- Would not create the appearance that your business judgment could be influenced.

You should use your good judgment in this area. If you have any issue in this area, or if any person or company repeatedly offers such items, you should consult with your supervisor, Human Resources or the Legal Department.

## COMPANY INFORMATION, RECORDS AND PROPERTY

Company property, including Company information, equipment, funds, supplies, facilities and other assets, as well as services and labor of other Company associates, must be used only for legitimate business reasons on behalf of the Company. Associates and Directors must not take for themselves personally opportunities that are discovered through the use of Company property or information or which arise by reason of your position at the Company. All Company records must be kept accurately, and Company confidential information must be protected at all times.

### CONFIDENTIAL COMPANY INFORMATION

During employment with the Company, associates will learn, and work and be entrusted with, confidential information and trade secrets relating to the Company's operations, proposed new businesses and transactions (including acquisitions and licenses), financial condition, sales, products and designs. This information is generally not known outside of the Company. In addition, this information is usually not known to most of the Company's associates. Some examples of information that is confidential include financial information, costs, business projections, marketing plans, customers, suppliers, designs (before available at retail), line plans, composites, sketches, personnel records and any information that is marked confidential. Because this information has substantial value to the Company, all associates must not disclose any confidential information, even inadvertently (for example, through conversations in elevators or restaurants), to any unauthorized person in or outside the Company. This obligation continues after your employment ends. Upon termination of employment, all Company property and information should be returned to the Company. Associates should contact the Legal Department if they are not sure what is considered confidential information. A copy of our complete confidentiality policy is available on our Company intranet under "Company-Policies."

### MAINTAINING ACCURATE BOOKS AND RECORDS

Each associate must maintain accurate and complete business records in all of the Company's operations. It is against Company policy, and in some circumstances illegal, for any associate to cause Company books and records to be inaccurate in any way. Some examples of prohibited record keeping include making the records appear as though payment were made to one person when in fact they were made to another, setting up unauthorized funds or accounts and submitting expense accounts that did not accurately reflect the true nature of the expenses. Any questions in this area should be directed to the Company's Chief Accounting Officer.

We must all be sure that our Company provides full, fair and accurate, timely and understandable disclosure in all reports and documents filed with the Securities and Exchange Commission and other regulatory agencies, as well as in all public communications and disclosures made by the Company. Associates should also immediately inform the Company's Chief Accounting Officer or the Legal Department of any significant issues they become aware of relating to our Company's accounting or auditing policies or practices or our financial statements or public disclosures. This is important, as management must inform the Audit Committee of the Board of Directors of any such issue immediately after becoming aware of the issue.

## BRIBES AND KICKBACKS

We do not authorize and will not condone any payment by any associate to any third party which is in the nature of a bribe, kickback, or undisclosed commission (or a commission in excess of those required in the ordinary course of business) for obtaining any business or otherwise bestowing a special favor on the Company, its Directors or its associates.

Gifts, payments or anything of value may not be offered or given on behalf of the Company to any government official, political party or candidate for public office either in the U.S. or abroad. Such payments may be in violation of U.S. or international laws and could result in the imposition of fines or imprisonment, or both. While certain nominal payments, gifts or favors to administrative personnel who do not exercise discretionary authority may be customary, any such payment, gift or favor must be approved by the Legal Department in advance to ensure that it is appropriate.

## THE COMPANY'S TRADEMARKS, INTELLECTUAL PROPERTY AND ASSIGNMENT OF RIGHTS

The value of the Company's trademarks and other intellectual property, including but not limited to copyrights, trademarks, logos and patents (collectively "Intellectual Property") is the result of many years of hard and creative work. To protect these assets, we must use our intellectual property only for authorized Company business and never in connection with personal activities.

Someone could approach you, innocently or otherwise, for information regarding the Company. No associate or Director should, under any circumstances, act as a potential spokesperson for the Company in response to inquiries by the news media, financial analysts or other similarly interested persons even when you believe you know the answer to the inquiry. Associates should not grant interviews or release statistical or printed information of any kind. If you are approached for information, you should politely forward all requests to the Chief Marketing Officer.

All intellectual property rights constituting or relating to works created in the course of your employment with the Company, including, but not limited to all designs, depictions, drawings, three-dimensional models, artwork, photographs and all textual matter, as well as the physical embodiments of the foregoing, are developed and/or created solely for, and belong to, the Company exclusively. Any work of authorship you create in the course of your employment that falls within Subsection (1) of the definition of a "work made for hire" as set forth in Section 101 of the United States Copyright Act is a work made for hire. For any works of authorship that does not fall within this definition, you agree that in consideration of your employment, the ownership and copyrights in such works are assigned to the Company; all rights and moral rights to such works are waived; and if asked to do so, you will sign any further documents to vest title and/or perfect title to Company's rights in such works, and fully cooperate in any actions taken by the Company to enforce its rights in the works and the intellectual property rights therein.

## COMPANY SYSTEMS: ELECTRONIC MEDIA AND SERVICES

Company-supplied systems, including our computer systems, the Company e-mail system, telephones, personal digital assistants, voice mail, fax machines, on-line services, associate bulletin boards and Internet access, belong to the Company and not to our associates. In addition, you may not download to the Company computer system any software not provided to you by the Company. We reserve the right to monitor and audit each associate's use of the Company's systems, including e-mail, cell phones and the Internet. Use of the systems constitutes your consent to such auditing and monitoring.

Use of the Company's computer systems to make, download or forward discriminatory, harassing, derogatory, obscene, defamatory, threatening or offensive remarks to other people or groups is prohibited. This could include "humor" messages. In addition, downloading, transmitting, or creating, through the Internet or otherwise, material that is offensive because of characteristics such as race, sex, sexual orientation or national origin or other protected categories, or is illegal, is strictly prohibited. Comments or conduct on social media platforms (for example, facebook or twitter) that could be deemed offensive or may result in the disclosure of Company information is prohibited, even if made during non-working hours.

For questions about the Company's Social Media and Electronic Communications policies, please contact the Legal Department. These policies are posted on our Company intranet under "Company-Policies."

## PRIVACY OF PERSONAL INFORMATION

Records containing personal information about associates, customers, vendors and suppliers must be kept confidential. Access to such records is limited to those associates with a specific need to use the information in their performance of their duties. All use of associate and customer information must be in compliance with the privacy policy under which such information was collected. For additional information, please contact the Legal Department. Policies on privacy are posted on our Company intranet under "Company-Policies."

## CORPORATE OPPORTUNITIES

All associates are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position. No associate or Director may use corporate property, information, or position for improper personal gain, and no associate may compete with the Company directly or indirectly. Works created by associates in connection with their role at the Company are the exclusive property of the Company. Each associate owes a duty to the Company to advance the Company' legitimate interests when the opportunity to do so arises.

## CONDUCT IN THE WORKPLACE

We are committed to providing a safe, diverse and tolerant work environment, free of discrimination and harassment of all kinds. As Kate Spade & Company associates, you are

expected to treat others with the same respect, cooperation and dignity you wish for yourself. No discrimination or harassment of any Company associate will be tolerated.

## EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

We are committed to affirmatively provide equal employment to all associates and qualified applicants, without regard to race, color, ancestry, national origin, religion, sex, marital status, age, sexual orientation, legally protected physical or mental disability, status in the uniformed services of the United States, status as a disabled veteran or veteran of the Vietnam era, or on any other basis protected under applicable local country laws.

Our policy of equal opportunity affects all employment practices, including, but not limited to, recruitment, employment, job assignments, training, compensation, benefits, promotions, transfers, layoffs, termination and social and recreational programs. Employment decisions must be based solely on job-related requirements and on an individual's qualifications.

You should review the Company's Policy on Equal Employment Opportunity, which is available from Human Resources and on our Company intranet under "Company-Policies."

## SEXUAL AND OTHER WORKPLACE HARASSMENT

We will not tolerate harassment in the workplace in any form or in any manner, including, without limitation, sexual harassment. We believe that all associates should enjoy a working environment that is free from discrimination, harassment and intimidation. This applies to all of our associates, applicants, vendors, customers, contractors, visitors or guests.

Workplace harassment is any verbal or physical conduct that unreasonably interferes with another associate's work performance, creates an intimidating, offensive or hostile environment, or adversely affects employment opportunities. This includes any such conduct that involves use of e-mail or the Internet. Sexual harassment is behavior of a sexual nature that is not welcome by another and is personally offensive, debilitates morale, creates an intimidating, offensive, or hostile environment, or otherwise adversely affects the employment opportunities of our associates or interferes with work effectiveness.

This policy applies to all Company functions and all times and places where associates are functioning in a Company-related activity or are required by the Company to be present.

The Company will investigate claims and, where appropriate, take corrective action. Any associate who believes that he or she is the subject of harassment should promptly inform management. Anyone employed by the Company who engages in harassment does so in violation of Company policy.

Each associate must review and comply strictly with the Company's Policy on Freedom from Sexual and Other Forms of Harassment in the Workplace, which is available from Human Resources and is on our Company intranet under "Company-Policies."

## VIOLENCE IN THE WORKPLACE

The safety and security of our associates is of paramount importance. Threats, threatening behavior or acts of violence against associates, visitors, guests or others by anyone on Company property or while representing the Company will not be tolerated. Violations of this policy will lead not only to disciplinary actions, which may include dismissal, but also to arrest and/or prosecution. Any associate who engages in such behavior will be removed from the premises as quickly as safety permits, and will not be allowed to return pending the outcome of an investigation. A copy of the Company's Policy on Workplace Violence is available on the intranet or from the Security Department. To report issues, please contact Security.

## GOVERNMENT AND REGULATORY INVESTIGATIONS AND LEGAL ACTIONS AND PROCEEDINGS

The Company's policy is to cooperate fully with any government or regulatory investigation or inquiry and any legal action or proceeding. If any associate believes that any such investigation, inquiry, action or proceeding may have begun, he or she should immediately communicate this belief to the Legal Department. Appropriate handling of these matters is important for all of us as the laws regulating our business provide for civil and criminal penalties that may apply to the Company and individuals who violate the law.

Associates and Directors should never, under any circumstances, destroy or alter any documents, including emails, in anticipation of any investigation, inquiry, legal action or proceeding or in anticipation of a request for those documents from any government or regulatory agency, court or participant in any legal action or proceeding even if our document management policy may permit destruction of such documents. In addition, associates should never lie or make any misleading statements or attempt to cause any other Company associate, or any other person, to fail to provide information or to provide any false or misleading information in connection with any investigation, inquiry, action or proceeding.

Any questions regarding the propriety of destroying or altering Company documents should be referred immediately to the Legal Department. Our policy on document retention is available on the company intranet under "Company-Policies."

## FAIR DEALING

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each associate and Director should respect the rights of and deal fairly and honestly with the Company's customers, suppliers, competitors and associates. No associate should take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation or any other unfair or unethical practice. All dealings on behalf of the Company must be conducted within the spirit and letter of the law. Our Antitrust Policy is available on the Company intranet under "Company-Policies."

## COMPLYING WITH LAW

Each associate and Director must adhere to the letter and spirit of all laws and regulations in effect where the Company does business. This means not only obeying the law, but also avoiding any activity that appears improper. We are each responsible for knowing the laws applicable to the performance of our job. The following highlights certain areas of law that impact on our business.

## TRADE REGULATIONS

All goods imported into the United States must pass through customs, and in most cases, a duty must be paid. The amount of the duty is based upon the classification and volume of the goods. The same is true for other countries throughout the world into which we ship our product. The Office of Foreign Asset Control (OFAC) restricts companies from conducting trade with those individuals or businesses included on their sanction list.

In addition, it is essential that the product's country of origin be clearly stated on all documents. All documentation relating to product must be truthful, complete and accurate. All information furnished to any customs official or to any agent hired to assist in importation also must be accurate and truthful.

If you are involved in the importing or exporting of product or other merchandise, you must review the Company's policy on Import/Export which is available on our Company intranet under "Company-Policies." For a current OFAC sanction list or other questions in this area, please contact the Trade Compliance Department.

## GLOBAL SOURCING AND HUMAN RIGHTS

Our Company is committed to producing high quality products at attractive prices for our consumers. In our sourcing efforts, we must follow the letter and spirit of all applicable laws and maintain a high standard of business ethics and regard for human rights. Moreover, we must require sound business ethics from our contractors, suppliers and licensees. All of our contractors and suppliers and all of our licensees and their contractors and suppliers must observe all applicable laws of their country, including laws relating to employment, child labor, discrimination, the environment, and safety in their industry-related fields. Our contractors, suppliers and licensees must also comply with applicable United States laws relating to the import of products, including country of origin labeling, product labeling and fabric and product testing. If local or industry practice exceeds local legal requirements, the higher standard applies.

Our Standards of Engagement set forth the standards we expect to be followed by all of our contractors, suppliers and licensees. The Standards of Engagement are posted on our Company intranet under "Company-Policies." If you have any questions in this area, please contact the Legal Department.

## ANTITRUST AND COMPETITION LAWS

Antitrust and competition laws aim to protect vigorous, open and fair competition from collusive or anticompetitive restraints. These laws impact on how we deal with our customers, competitors and suppliers by restricting business practices that can have anticompetitive impact, including price fixing, discriminatory pricing, and understandings among competitors.

We respect the rights of our customers, competitors and suppliers, and we must be fair and honest in our dealings with them. Our policy is to comply with all applicable antitrust and competition laws. These laws are complex, and you should call the Legal Department with any specific questions or issues in these areas. The following are key areas to be aware of:

### RELATIONSHIPS WITH CUSTOMERS

Agreements, and even conversations, with our customers or licensees with respect to pricing of product for resale and the timing for the discounting of Company product create serious issues under antitrust law. You should not make any agreements or have discussions with our wholesale customers or licensees regarding resale prices or the level or timing of discounting without the prior approval from the Legal Department.

Generally, we cannot sell the same product to similarly situated customers at different prices, although exceptions to this rule apply in certain circumstances.

While we are free to decide who to sell products to, we must not make decisions as to whether to select or terminate a customer based on agreements or understandings with other parties.

### RELATIONSHIPS WITH COMPETITORS

We may not enter into any agreement or understanding with any of our competitors with respect to pricing, allocation of markets or territories, terms of sale, or the boycott of any supplier or customer.

To avoid even the appearance that such agreements or understanding may exist, we should avoid sharing information, including prices, discounts, or costs, with our competitors.

### RELATIONSHIPS WITH SUPPLIERS

Our policy is to select suppliers and award business on the basis of quality, price, service, reliability and financial and ethical responsibility. Although we should negotiate vigorously for the best terms, we should not accept prices or terms from our suppliers that we believe are provided to us in violation of applicable antitrust or competition laws.

A copy of our Antitrust Policy is available on our Company intranet under “Company-Policies.”

## INSIDER TRADING AND COMMUNICATIONS WITH SECURITIES INDUSTRY PROFESSIONALS AND STOCKHOLDERS

Many of us have access to confidential information concerning the Company and its affiliates or business partners. Securities laws and regulations prohibit any person from buying or selling securities of a company when in possession of material, non-public information about the Company. It is also illegal to pass along such information to others. Information is material if it could be important to an investor in making an investment decision.

Accordingly, each associate must adhere to these guidelines:

Associates and Directors may not buy or sell any Company securities when they have material, non-public information about the Company. (Certain executives may from time to time be notified of additional restrictions on their ability to trade in the Company's securities.)

Similarly, you may not engage in transactions in the securities of another company when you have inside information of the company that you obtained through your employment.

No associate or Director may share Company information with anyone either inside or outside the Company.

You should not engage in speculative transactions involving the Company's securities, such as exchange-traded options or short-sales.

In addition, no associate or Director should share any information with any securities industry professional (such as a broker or analyst) or any Company stockholder. To avoid issues, all inquiries for information from these persons should be directed to Investor Relations. Inquiries from the press or the general public should be referred to the Chief Marketing Officer.

You should review the Company's Policy on Inside Information, Trading in the Company's Securities and Communications with Securities Industry Professionals and Company Stockholders, which is available on our Company intranet under "Company-Policies." If you have any questions in this area, please contact the Legal Department.

## ANTI-BRIBERY LAWS, INCLUDING FOREIGN CORRUPT PRACTICES ACT

Anti-bribery laws such as the Foreign Corrupt Practices Act and U.K. Bribery Act, prohibit payments or gifts in private business transactions or to foreign officials that wrongfully directs business to the person making the payment. Our Anti-Bribery policy seeks to prevent conduct that may be illegal and to protect the Company's reputation for integrity and ethical business conduct.

Our policy is clear; no payments or gifts should be made directly or indirectly or through a third party, to any government official, political party or candidate for public office either in the United States or abroad, or to any business partner or potential business partner, to obtain

an improper advantage in the conduct of business. Any gifts to business partners must comply with our gifts and business entertainment guidelines.

Anti-bribery laws also require the Company and all of its subsidiaries to keep and maintain accurate and complete books, records and accounts and maintain a system of internal accounting controls.

Copies of the Company's Anti-Bribery policy and gifts and business entertainment guidelines are available on our Company intranet under "Company-Policies." For answers to any questions in this area, please contact the Legal Department.

## INTELLECTUAL PROPERTY: COPYRIGHTS, TRADEMARKS AND PATENTS

Our company is vigorous in its efforts to protect our copyrights, trademarks and patents. We must also be careful not to violate anyone else's rights.

All trademarks and graphics which for this purpose include any name, design, logo, crest or similar name, number or symbol, should be pre-cleared with the Legal Department prior to use.

We must also be careful not to copy the designs or use the patents owned or developed by others. While we can be inspired by the designs of others, we cannot copy those designs. Problems arise in situations where elements of the original design are used in our designs. Again, please contact the Legal Department when you have doubt or just to verify and avoid issues down the road.

Associates are also prohibited from making unauthorized copies of any books, magazines, photographs, sound recordings, videotapes, newspapers or software programs, as such copying could violate the copyrights of third parties.

Contact the Legal Department if you have any questions in this area. A copy of the Trademark and Copyright policy is available on our corporate intranet under "Company-Policies."

## POLITICAL ACTIVITIES AND CONTRIBUTIONS

The Company encourages you to become involved in the political process, to stay informed about important issues and to vote. Should an associate decide to make a contribution of time or money, reimbursement or compensation from the Company is prohibited. Associates may not engage in political activities during working hours or use Company resources for such activities without the prior approval of the General Counsel.

No associate or Director may use or purport to use Company funds or resources to solicit or provide contributions to political candidates or parties without the prior approval of the General Counsel. This applies both in the United States and in foreign countries. It includes both direct and indirect contributions.

As a corporation, sometimes it is in the interests of our shareholders for the Company to take a position on public policy. This may occur at any level of government and may concern initiatives, proposed statutory amendments, or pending legislation. Approval must be secured from the Legal Department before Company funds or resources are committed for such purposes.

## HEALTH, SAFETY AND THE ENVIRONMENT

Our Company is committed to protecting the health and safety of our associates and to environmental stewardship around the world. We are striving for continuous improvement in these areas and are committed to compliance with health, safety, and environmental laws and regulations.

All associates are expected to understand the health, safety and environmental laws and regulations affecting their business activities. Associates are also responsible for knowing the corporate and operating unit policies regarding health, safety and environmental matters that apply to their jobs. If you have any questions, or for more detailed polices and guidelines in complying with health or safety regulations, including regulations under the Occupational Safety and Health Act, and other local health and safety laws or environmental regulations, please contact Security.

## MARKETING, ADVERTISING AND PRODUCT LABELING

All of our Company's marketing and advertising must always be truthful. If our Company makes claims about our products, we must be able to substantiate the claims. We must also accurately label products with respect to material and chemical contents and country of origin. We must be sure to comply with all of the labeling requirements of the countries in which our Company's products will be sold.

## ANTI-BOYCOTT LAWS

U.S. anti-boycott laws restrict the Company from participating in boycotts against countries friendly to the United States, including boycotts of businesses located in such countries. We are also prohibited from furnishing any information to anyone intended to further a prohibited boycott. We must report any boycott-related request to the United States government. If you receive any such request, you should immediately contact the Legal Department.

*Honesty*  
*Integrity*  
*Respect*  
*Accountability*

# ETHICS

KATE SPADE & COMPANY

## CODE OF ETHICS AND BUSINESS PRACTICES

### *Acknowledgement*

By my signature below, I acknowledge that I have received, read and understand the Kate Spade & Company Code of Ethics and Business Practices (the “Code”), and I agree to abide by its provisions.

I understand that compliance with the code is a condition of my employment and failure to comply will result in disciplinary action, which may include termination of my employment.

SIGNATURE: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_

DATE: \_\_\_\_\_

*Please Return This Acknowledgement To Your Manager Or Human Resources Representative.*



## APPENDIX

International Associates may choose to report a violation of the Code by web or by phone.

To report a violation by web go to: <https://iwf.tnwgrc.com/katespade>

To report by phone, please follow the instructions below.

Directions for Accessing International Toll-Free Ethics Hotline:

Dial Access Code

Wait for the Operator

Provide Operator With Toll-Free Number

Advise the Second Operator the Language Preference for Reporting the Incident

COUNTRY	ACCESS CODE	TOLL FREE NUMBER
Austria	0 800 200 288	800 753 3030
Belgium	0 800 100 10	800 753 3030
Brazil	0 800 888 8288 or 0 800 890 0288	800 753 3030
China (China Telecom)	108 10	800 753 3030
China (South, Shanghai - China Telecom)	10 811	800 753 3030
Colombia	01 800 911 0010 or 01 800 911 0011	800 753 3030
Denmark	800 100 10	800 7533 030
Dominican Republic	1 800 225 5288 or 1 800 872 2881	800 753 3030
El Salvador	800 1785	800 753 3030
Finland	0 800 11 0015	800 753 3030
France	0 800 99 1011 or 0805 701 288	800 753 3030
Germany	0 800 225 5288	800 753 3030
Greece	00 800 1311	800 753 3030
Guatemala	138 120	8007533030
Hong Kong (Hong Kong Telephone)	800 96 1111	8007533030
Hong Kong (New World Telephone)	800 93 2266	8007533030
Hungary	06 800 011 11	8007533030
India	000 117	8007533030
Ireland	1 800 550 000 or 00-800 222 55288	8007533030
Italy	800 172 444	8007533030
Japan (KDDI)	00 539 111	8007533030
Japan (NTT)	0034 811 001	8007533030
Japan (Softbank Telecom)	00 663 5111	8007533030
Mexico	001 800 462 4240 or 01 800 288 2872	8007533030
Netherlands	0800 022 9111	8007533030
Norway	800 190 11	8007533030
Panama	800 0109 or 800 2288	8007533030
Peru (Americatel)	0 800 70 088	8007533030
Peru (Telephonica)	0 800 50 000 or 0 800 50 288	8007533030
Philippines	105 11 or 1010 5511 10	8007533030
Spain	900 99 0011	8007533030
Sri Lanka	2 430 430 or 112 430 430	8007533030
Sweden	020 799 111	8007533030
Taiwan	00 801 102-880	8007533030
Thailand	001 999 111 11 or 1 800 0001 33	8007533030
United Arab Emirates	8000 021 or 8000 051	8007533030
United Kingdom (British)	0 800 89 0011	8007533030
United Kingdom (C&W)	0 500 89 0011	8007533030
United Kingdom (NTL)	0 800 013 0011	8007533030

## NOTES

## NOTES

*5901 West Side Avenue North Bergen NJ 07047*