

# "Never doubt that a small group of thoughtful, committed citizens can change the world; indeed,

it is the only thing that

ever has."

- Margaret Mead

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# A Note From a Rebel Optimist

I joined TOMS three and a half years ago, but it's safe to say that I've been a fangirl for much longer. As we were putting the final touches on this report, I really started to think about what it means to build a movement, as well as our opportunity—perhaps even obligation—to continue our pursuit of a better tomorrow in new and innovative ways.

In 2006, TOMS\* Founder Blake Mycoskie—together with some friends and interns—transformed his one-bedroom apartment in Venice, California into a little shoe company with a big idea: using business to improve lives. I'm not sure Blake ever meant to change the way we think about the power of a purchase, or to inspire hundreds of other companies to prioritize impact as much as they prioritize the bottom line. But that's exactly what happened.

13 years later and 96.5 million lives impacted, I'm humbled and inspired by all the good our community has accomplished. Together, we've given shoes, sight, safe water, and impact grants, but beyond that, we've given health, hope, independence, and opportunity. This is our true impact. This is your impact.

And your impact is about to go a lot further, because we're evolving our giving strategy.

#### Why?

It's no secret that the world is changing. The issues facing our communities are complex and evolving—but our commitment to using business to improve lives is stronger than ever.

So, we spent the last year asking ourselves some tough questions. Mainly, "Are we applying the power of every TOMS purchase in the most impactful way possible?" After several months of research and a bit of sole searching (see what I did there?), we knew it was time to evolve our giving. We made the decision to decouple our impact from the One for One® model we pioneered, and to expand our

giving portfolio to include impact grants. This way, we can support organizations working to address some of today's most pressing issues.

As you can imagine, we didn't make this decision lightly. But, we're motivated by the opportunity to have meaningful impact in some new issues areas—areas that are important to us, and to you. Truth be told, we haven't quite figured everything out yet, but we do know that directing our shoe giving and grants towards the promotion of physical safety, mental health, and equality of opportunity is the right next step for TOMS.

All that said, we hope that this impact report inspires you, our incredible supporters, to continue this journey with us, because none of it would be possible without you. This is your impact, and we can't wait to charge into the future together helping to create many, many better tomorrows.

With pride and gratitude,



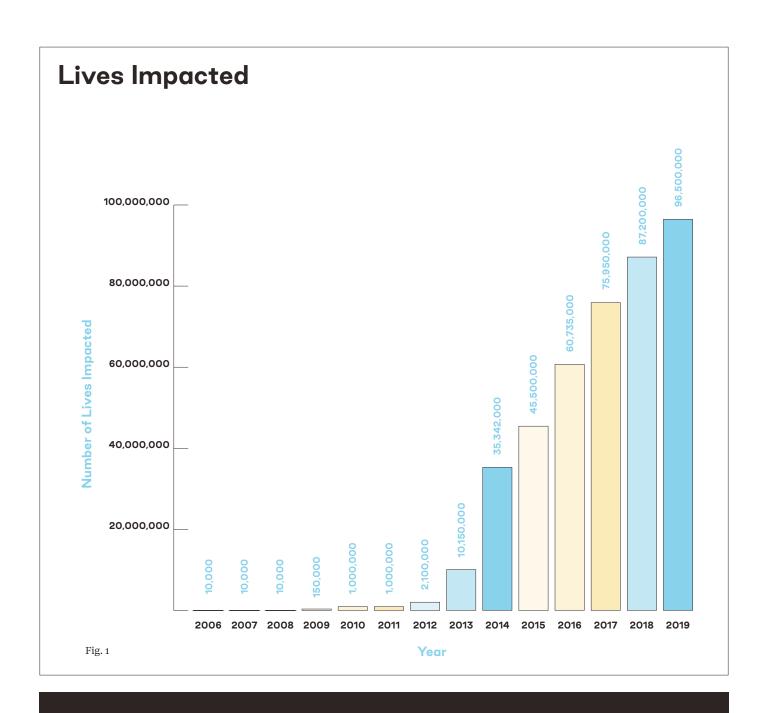
Amy Smith, Chief Giving Officer

This note would not be complete without a great big THANK YOU! Thank you to everybody who had a hand in bringing this report to life—from the data crunching to the stunning images. It is because of the hard work from a passionate TOMS team that this all came together. I am grateful for your commitment to TOMS and I feel lucky to call you co-workers and friends.



#### 13 Years of Giving at TOMS®

Our mission is using business to improve lives.



96.5 million lives impacted—and counting

Number of Shoes Given

## 95 million pairs

Top 3
Shoe
Giving
Benefits

1 Basic Protection

TOMS Giving Shoes help to protect against infections, as well as injury and disease. Greater Access to Education

Families no longer need to spend money on shoes for school, and can focus on other needs.

3 Emotional Well-Being

TOMS Giving
Shoes help
increase a sense
of well-being
and self-worth
among recipients.

Number of Sight Restorations 780,000

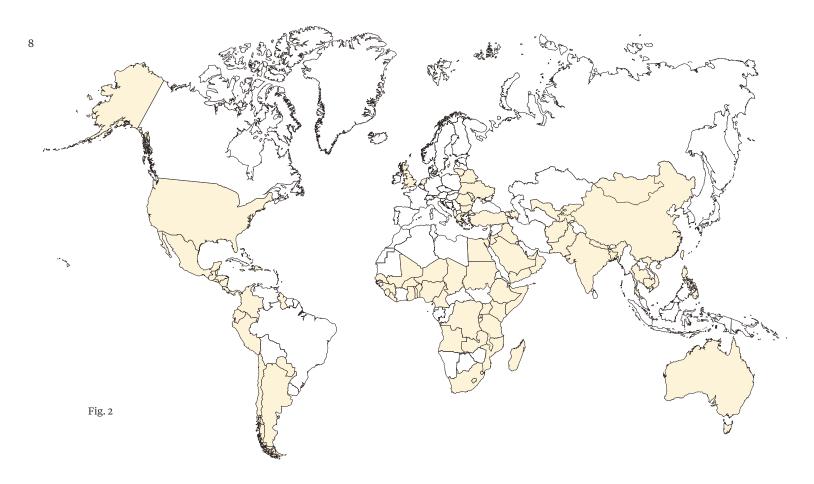
Weeks of Safe Water Given 722,000

Amount Dedicated to Impact Grants: \$6.5 Million Committed

205

Giving Partners

#### Where We've Given



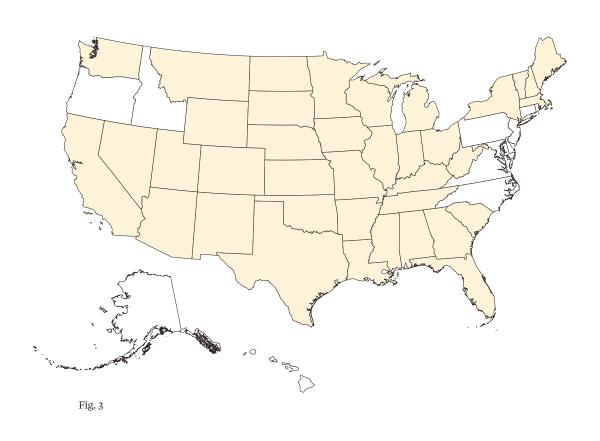
#### **List of Countries**

Afghanistan	Dominican Republic
Albania	Ecuador
Angola	Egypt
Argentina	El Salvador
Armenia	Eswatini
Australia	Ethiopia
Azerbaijan	The Gambia
Bangladesh	Georgia
Belarus	Ghana
Belize	Greece
Benin	Guatemala
Bulgaria	Guinea
Burkina Faso	Guyana
Cambodia	Haiti
Cameroon	Honduras
Chad	India
Chile	Iraq
China	Jamaica
Colombia	Jordan
Costa Rica	Kenya
Democratic Republic of the Congo	Kyrgyzstan
	Lebanon

Lebanon

Lesotho Liberia Lithuania Madagascar Malawi Mali Mexico Moldova Mozambique Nepal Netherlands Nicaragua Niger Nigeria Pakistan Palestinian Territories Panama Paraguay Philippines

Rwanda Senegal Sierra Leone Somalia South Africa Sudan Tajikistan Thailand Togo Turkey Uganda Ukraine United Arab Emirates United Kingdom United Republic of Tanzania **United States** Uzbekistan Vietnam Zambia



#### List of U.S. States

Alabama	Montana
Arizona	Nebraska
Arkansas	Nevada
California	New Hampshir
Colorado	New Mexico
Florida	New York
Georgia	North Dakota
Illinois	Ohio
Indiana	Oklahoma
lowa	South Carolina
Kansas	South Dakota
Kentucky	Tennessee
Louisiana	Texas
Maine	Utah
Massachusetts	Vermont
Michigan	West Virginia
Minnesota	Washington
Mississippi	Wisconsin
Missouri	Wyoming







#### **TOMS' Original Giving Model**

#### Here's how it all started.

After selling 10,000 pairs of shoes, TOMS founder Blake Mycoskie recruited some friends, some family, and hopped on a plane to Argentina. There, they distributed 10,000 shoes—one for one—to kids in need wherever they could be found.

#### Needless to say, a lot has changed since then.

In 2009, TOMS invested in building a team of international development, health, and nonprofit professionals, now known—appropriately, we think—as the Giving Team. Over the course of 10 years, this team has developed relationships with over 200 non-governmental and humanitarian organizations in 80 countries worldwide. We call these organizations our Giving Partners, and they are critical to the way that we give.

Working hand-in-hand with these organizations, we're able to better understand the needs of the communities they serve. Additionally, we can help meet these needs by integrating TOMS resources into their existing programs.

#### No guessing. No winging it. Just proven, effective, locally-driven impact.

In the beginning, this meant that our shoes could be given in support of health, education, and community development programs already in place, and *working*. But we quickly saw success and decided—fingers crossed—that we could do more.

So, in 2011, we launched TOMS Eyewear, partnering first with the Seva Foundation to expand the One for One® model. Through this partnership, we helped provide medical treatment, sight-saving surgery, and prescription glasses to those in need.

Again, the model had worked. Again, we tested it with the launch of TOMS Roasting Co°. in 2014. In partnership with Water For People, TOMS coffee sales helped to provide safe living conditions and economic prosperity to developing communities through sustainable water systems.

This impact—your impact—has brought health and hope to individuals, families, and entire communities around the world. And so, before we talk about how our model is changing, let's take a moment to acknowledge and celebrate all the good that the TOMS community has accomplished. Because it's very, very real.

#### 13 Years of Giving: A Timeline

12

**TOMS** is Born The original One for One® **TOMS Opens Offices** company takes shape in a in Europe Venice, CA apartment. **Giving Partners** First Shoe Given One Day Without Shoes Join the Mix **TOMS Giving** Sight Giving Begins **Department Grows** Blake Mycoskie travels to TOMS begins working with Our global community goes Argentina with a small crew one day without shoes to humanitarian organizations TOMS Eyewear launches A Giving Team, managed by a 1,000,000 Pairs of and 10,000 pairs of shoes raise awareness for children's to integrate shoes into existto help restore sight to those Chief Giving Officer, begins to in tow. health and education. ing programs. **Shoes Given** in need. oversee every aspect of giving. 2006 2008 2009 2010 2011 2012 2019 2015 2016 2018 2013 2014 **TOMS Giving Grows** Safe Water Giving Begins 95,000,000 Pairs of **TOMS Opens Offices Tomorrows Project Impact Grants Start** in Asia Launches **Shoes Given** We begin to introduce prod-Our giving model evolves, TOMS Roasting Co®. launches, ucts that support safe births, and TOMS starts investing with every purchase helping Each month, TOMS emto provide safe water to peobullying prevention, and ployees have the chance to in strategic impact grants. access to solar light. ple in need. donate \$10k to a cause they care about.

50,000,000 Pairs of

**Shoes Given** 

#### #EndGunViolenceTogether Launches

TOMS commits \$5 million to organizations working to end gun violence in the U.S., rallying support for Universal Background Checks.

TOMS Becomes a Certified B Corp™



# 95+ millian

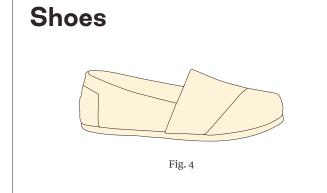
shoes given and counting.









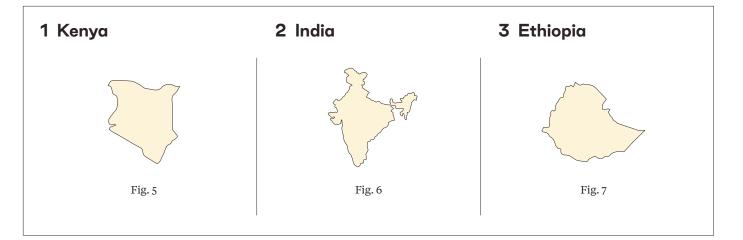


Sometimes, a better tomorrow is in the basics.

Top 3 Countries to Receive Giving Shoes

# 95 million

Pairs of Shoes Given



167
Shoe
Giving
Partners

Where We've Given Shoes

82 countries
38 U.S. states

2.1

#### Why Shoes?

When TOMS started giving shoes in 2006, our main goal was to help protect people living in communities that are prone to foot-related infection, injury or disease. However, reports from our Giving Partners have shown that the impact of shoe giving is really threefold:

#### 1 Basic protection

More than 1.5 billion people (24% of the world's population) have a soil-transmitted infection.¹ Shoes help to protect against these infections, as well as injury and disease.² In fact, 63% of our Giving Partners have reported that TOMS Giving Shoes help to protect recipients against foot infection and disease, and 70% have reported protection from injury.

"Many communities report a drastic decrease in foot disease since the distribution of TOMS shoes. The decrease is, on average, over 60%."

- ChildFund, Zambia

#### 2 Greater access to education

Often, shoes that adhere to a specific dress code are a requirement for students to attend school. In addition to uniforms, books, transportation, and other fees, the cost of uniform shoes can be another financial roadblock.<sup>3</sup> According to 88% of our Giving Partners, TOMS Giving Shoes help to reduce families' financial burdens.

"Teaching staff report that students are healthier and school attendance is more regular since TOMS shoes started being distributed."

- The Luke Commission, Eswatini

#### 3 A sense of well-being

A new pair of well-fitting, weather appropriate shoes can raise children's confidence and help them realize their own potential. According to 80% of our Giving Partners, TOMS Giving Shoes have helped increase a sense of well-being and self-worth among recipients. And you made that possible.

"TOMS Giving Shoes reduce discrimination among children that could not afford shoes."

- Partners in Health, Haiti



#### **Local Manufacturing**

We are committed to manufacturing Giving Shoes in the same places they're given, supporting economic development along with shoe giving. Today, at least 1/3 of our Giving Shoes are manufactured in the same countries in which they're given.

#### Refugee Support

There are 70.8 million forcibly displaced people worldwide.<sup>4</sup> That's about 1 in every 106 humans. We're proud to partner with organizations that aid and protect those forced to flee their homes due to violence, conflict, or persecution.

3.7 million pairs of TOMS Giving Shoes were distributed to refugees in 17 countries, most commonly within Iraq, the Palestinian territories, and Uganda.



#### <sup>4</sup> The Giving Effect

Since giving our first pair back in 2006, we've come to understand that each shoe represents health and progress, with a ripple effect that touches the recipient's future, their family, and their community.

TOMS Giving Shoes provide three main benefits:

- 1 Basic Protection
- 2 Greater Access to Education
- 3 Emotional Well-Being

This, in turn, creates generational change.



#### **How We Give Shoes**

#### 6 We do it all over again

for the year ahead, considering partner needs, timing, program integration, and usage.

Our Giving Team determines an allotment of Giving Shoes

#### 2 An order is placed

1 We plan

For us, Giving Partners = customers. After our Giving Partner does a deep-dive into their community-specific needs, they place an order, selecting style, size, color, quantity, and the timing of delivery—just like you do when ordering your own TOMS shoes.

#### 5 We learn

Our Giving Partners provide a yearly report. This report helps the TOMS Giving Team better understand the number of shoes that were successfully distributed, how the shoes are being used, and any challenges our Giving Partners might have experienced.

#### 3 The Giving Team works its magic

The delivery and all associated logistics are arranged and paid for by TOMS. This can be particularly tricky in countries impacted by conflict, political unrest, natural disasters, or heavy export / import restrictions, resulting in what can be a 6-month 'order-to-delivery' process.

#### 4 Shoes are delivered

Giving Partners take on the cost of storage and distribution, so TOMS helps to cover those expenses through a last mile contribution. A shoe is not truly considered given until it's on a recipient's foot.



# The 4 Types of Shoes We Give

Using insights from our Giving Partners, we've developed a range of styles well-suited for their final destination, taking into account climate, terrain, and usage. Every shoe that's given is new.



Our first Giving Shoe, and our most commonly distributed. After receiving feedback from our Giving Partners, we updated our original silhouette to increase comfort and durability. We offer our canvas slip-on in black, red, blue, grey, and green.



Wet Weather Slip-On

This water-resistant silhouette was designed to meet the

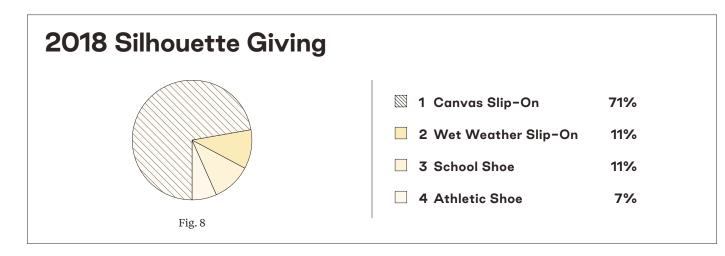
needs of active children in tropical climates. We created

this silhouette after receiving feedback from our Giving

School Shoe

Available as a classic lace-up for boys and as a Mary Jane for girls, this silhouette was developed for integration into education programs and meets national school uniform requirements in many countries.

A durable sneaker designed to meet the needs of Giving Partners distributing shoes as part of health, wellness, or sports programming, with both hook and loop and tie versions available.





#### **Learnings in Giving**

We've made a lot of updates to better reflect the cultural and social needs of beneficiaries. For example, we offer our canvas slip-on in a range of colors, as black shoes can be considered a symbol of mourning in certain communities. We also remove the TOMS flag from shoes destined for certain regions to eliminate the possibility of politicization.

"It was a simple concept: Sell a pair of shoes today, give a pair of shoes tomorrow. Something about the idea felt so right, even though I had no experience, or even connections, in the shoe business. I had been playing around with the phrase 'Shoes for a Better Tomorrow,' which eventually became 'Tomorrow's Shoes,' then TOMS."

- Blake Mycoskie, Founder & Chief Shoe Giver



#### A New Milestone

The year 2020 marks 100 million shoes given.

That's a BIG deal, because it also means basic protection, access to education, and emotional well-being given—100 million times over.

And all with the help of our community. So thanks 100 million.

# [Y]OUR IMPACT Sight



# 780+ thousand

sight restorations.











253 million people worldwide are blind or visually impaired—80% of them don't have to be.<sup>5, 6</sup>

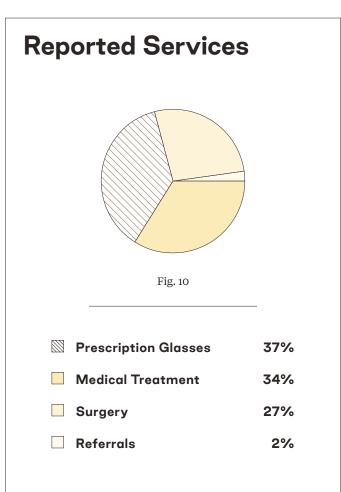
16Sight Giving Partners

Where We Helped Restore Sight

14 countries

Number of Sight Restorations 780,000

By the end of 2019, TOMS will have helped to establish 37 vision centers in Bangladesh, India, and Nepal.





"Thanks to a collaboration with TOMS, Seva and our partners have established more than 30 primary eye care vision centers that have already reached 150,000 people with needed eye care services—and will continue reaching many more far into the future."

- Kate Moynihan, Executive Director, Seva Foundation

#### Why Sight?

253 million people worldwide are blind or visually impaired—80% of them don't have to be.<sup>5,6</sup> Since limited access to care is a big part of the problem, our sight-focused Giving Partners seek out remote and underserved communities, delivering cost-effective treatment services through local vision centers that TOMS invests in. These services include comprehensive eye exams, prescription eyeglasses, emergency eye care, and referrals.

Without local vision centers in place, people in need will either go without care or travel to distant treatment centers—sometimes arriving too late. With local vision centers in place, people in need are able to seek timely, quality care, preventing permanent damage or unnecessary temporary blindness. With their sight restored, individuals can regain independence at home, in the classroom, or in the workplace.

Beyond providing care, these vision centers also create stable employment opportunities, boosting economic development in the same communities they serve. *This is vital*. Depending upon the environment, vision centers can become fully or largely self-sufficient within three years of opening.

#### Sight-Saving Surgery

Each year, these vision centers will subsidize the cost of cataract surgery for a number of patients that have been referred to local hospitals for additional treatment.



#### How We Give Sight

Our community helps give sight by investing in the creation of vision centers. These are permanent facilities capable of addressing up to 80% of a community's eye care needs. In order to distribute vision center grants responsibly, we work with two main Giving Partners, Seva Foundation and BRAC. These organizations communicate with local eye care institutes and hospitals to better understand where new vision centers are needed most.

#### 1 Grants are awarded

TOMS shares available grants and a target number of vision centers with Seva and BRAC. These grants are used to establish vision centers in underserved communities. These centers are meant to be fully sustainable within three years.

## 2 Vision center locations are carefully considered

Seva and BRAC work with their partners to determine which rural and overlooked communities need vision centers. Many factors are taken into consideration, including eye care needs, the engagement level of community leaders, and their commitment to seeing a center thrive.



## 3 Vision centers are established, staffed, and equipped

Vision technicians with qualified training oversee daily operations at the center, where a target number of 10–20 patients will receive immediate eye care every day.

#### 4 Community outreach begins

In addition to providing key screening and treatment services, vision center staff work to increase education and community awareness about eye health through local talks, literature distribution, school screenings, and other forms of outreach. Some vision centers will even employ full-time outreach staff members.

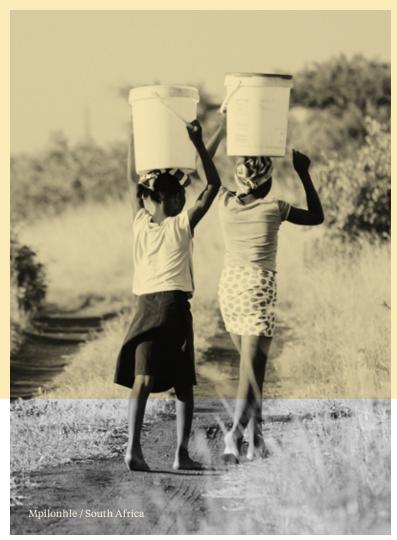


# 722+ thouse

weeks of safe water.

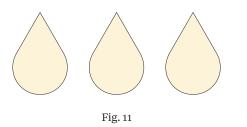










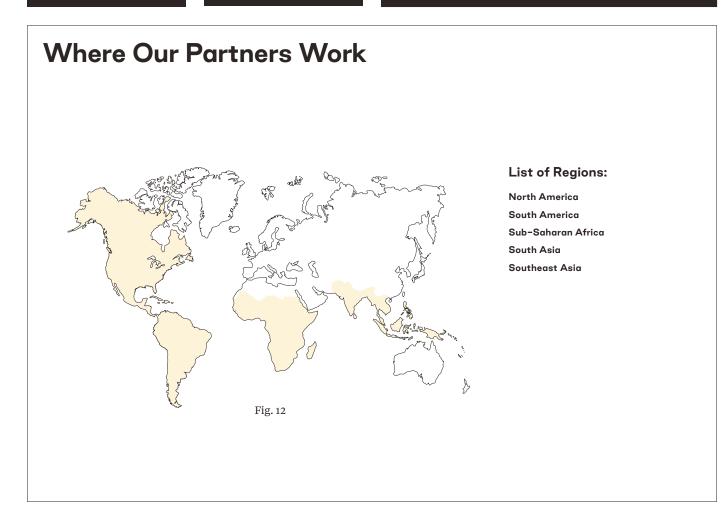


More than 785 million people do not have access to basic drinking water.

3 Safe Water Giving Partners



# 722,000 weeks







"TOMS has been an important supporter for WaterAid America as we work to equip people with clean water, decent toilets, and good hygiene. With all three, they can unlock their potential, break free from poverty, and change their lives for good."

- Jennifer Colletti, Director for Corporate Partnerships, WaterAid America

#### Why Water?

More than 785 million people do not have access to basic drinking water.<sup>7</sup> And yet, the minimum amount of safe water that one person needs for one day of drinking, eating, and washing is 20 liters.<sup>8</sup>

As we were launching TOMS Roasting Co.\* in 2014, we learned that many of the communities in which we sourced our coffee beans also lacked access to safe water. In partnership with local Giving Partners, we could help provide long-term safe water solutions accessible to all—and owned by the community.

#### **How We Give Water**

By supporting WaterAid America and Water For People, TOMS is able to help fund safe water initiatives. Our Giving Partners have deep expertise in water, sanitation, and hygiene, not only establishing safe water systems in underserved communities but also working to make them accessible.



# 56.5. Milian

committed to organizations working to build a better tomorrow.











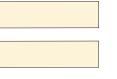


Fig. 13

TOMS invests in organizations focused on physical safety, mental health, and equal access to opportunities.

Impact Grants
Committed
to Partners

\$6.5 million



14 partners funded through impact grants



#### Why Impact Grants?

We launched impact grants in 2018 in order to address some of the regional and global issues we're confident we can impact, and that our community cares most about. These issues include gun violence prevention, mental health, and female empowerment.

#### **How Impact Grants Work**

Our grant investments typically fund single-year projects with defined goals and measurable impact. While every grant is unique, there is a general process in place.

#### 1 We listen

TOMS identifies an issue that our community cares deeply about.

#### 4 Success is tracked and measured

Partners are required to report back to TOMS on a regular basis. These reports are a glimpse into all of the remarkable change taking place—change that's directly linked to the TOMS community.

#### 2 We partner

TOMS partners with a committed non-governmental organization or social enterprise, selecting a clear project to invest in. We look for projects with the potential to give back long after the one-time grant.

#### 3 Together, we take action

A local activation often accompanies the give. In many cases, TOMS will also partner with an influential person dedicated to championing the cause, drawing awareness to the issue.

#### **Spotlight on Regional Impact Grants**

#### The United States and Gun Violence Prevention

100 Americans are killed by guns each day—that's roughly four every hour. In 2018, TOMS launched the End Gun Violence Together (EGVT) initiative, committing a total of \$5 million over the next five years to gun violence prevention, intervention, and survivor support.

To help us navigate new and important territory, we initially selected six EGVT founding partners. Through a combination of expertise and patience, these partners guided us to a sound understanding of what we could do and who we should talk to.

Founding EGVT Partners:

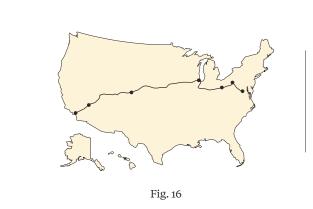
- Black & Brown Gun Violence Prevention Consortium
- Everytown for Gun Safety Support Fund
- Faith in Action's LIVE FREE Campaign
- Giffords: Courage to Fight Gun Violence
- March For Our Lives
- Moms Demand Action for Gun Sense in America

More than 90% of Americans support universal background checks, a basic safety measure associated with reduced rates of homicide, firearm trafficking, and suicide.<sup>10</sup>

721,082 postcards delivered to Congress, calling for Universal Background Checks\*.

\* On February 27, 2019, the bill for Universal Background Checks passed in the House.

Nationwide EGVT Awareness Tour



Tour Stops
Las Vegas
Denver
Chicago
Columbus
Pittsburgh
Washington D.C.

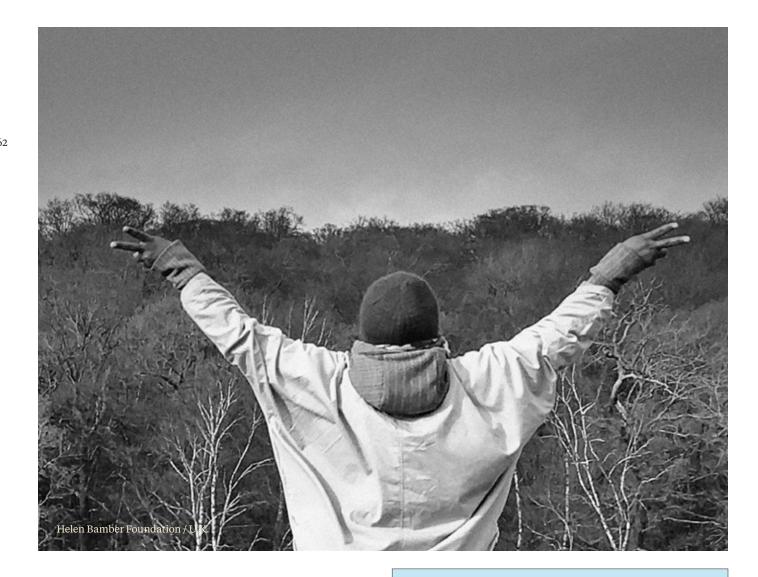
44 activations hosted, with over 9,000 attendees

"When we started the March For Our Lives movement, we knew we needed bold and committed partners who believed in our vision for a safer America. TOMS has epitomized that kind of partnership and is a model of private sector leadership with lifesaving impact."

- Natalie Fall, Director of Development at March For Our Lives







"With the investment from TOMS, the Helen Bamber Foundation has provided 33 female survivors of extreme human cruelty with a comprehensive care package.

33 women's lives have been completely transformed as they move from a place of fear, social isolation, and trauma to a place of strength, freedom, and power."

- Kerry Smith, CEO of Helen Bamber Foundation

#### **Spotlight on Regional Impact Grants**

# **EMEA** and Survivor Recovery

The U.K.-based Helen Bamber Foundation works with more than 600 survivors of extreme cruelty each year, providing multidisciplinary support to men and women from Albania, Ghana, Iran, Eritrea, Sri Lanka, Afghanistan, Turkey, and Vietnam. This support includes everything from psychological and physical health services to expert legal, housing, and welfare assistance.

TOMS gave \$100,000 to the Helen Bamber Foundation, helping to support 33 survivors through a range of vital services. Services include therapeutic care, medical assessment, creative arts, skills, and activities programs, as well as referral services for legal, welfare, and housing support.



#### **Spotlight on Regional Impact Grants**

#### **Asia Pacific and Homelessness**

There are approximately 116,000 people in Australia experiencing homelessness—roughly 43,500 are under the age of  $25.^{11}$ 

HoMie is a Melbourne-based apparel company that dedicates 100% of its profits to providing new clothing, training, and job opportunities to young people

experiencing homelessness or hardship. In 2019, TOMS gave \$50,000 to HoMie to fund their work, supporting HoMie's VIP Shopping Days, which provide a free lunch, clothing, and beauty or grooming services to young people experiencing homelessness as part of a dignified shopping experience.



#### Safe Births



Fig. 17

With access to the appropriate training and resources, women giving birth are 80% less likely to develop an infection, and nearly half of newborn deaths can be prevented. <sup>12</sup> Between 2015 and 2018, the purchase of TOMS handbags helped to fund safe birth kits and training for birth attendants.

345,000 safe birth kits and training

Countries Impacted: Bangladesh, Ethiopia, Haiti, and India

#### **Bullying Prevention and Response**



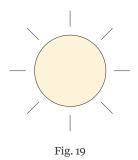
Fig. 18

Nearly one out of every three students ages 12 to 18 in the United States reports being bullied. Being a target of bullying can have a wide range of mental health effects, including depression, suicidal thoughts, and anxiety. However, with the proper prevention and response techniques, we can help reduce bullying incidents.

From 2015 to 2018, the purchase of TOMS backpacks helped provide bully prevention and training for school staff, as well as training of crisis counselors for a free 24/7 crisis text line.

168,700 youth served through bully prevention and response programs

#### **Solar Light**



An estimated 1.1 billion people (14% of the global population) do not have access to electricity.¹⁵ From 2016 to 2018, the purchase of TOMS band for Apple Watch™ helped provide access to solar light, resulting in increased study time, increased economic opportunity, and a reduction in the cost of consumable energy sources, such as kerosene.

Solar
Light
Giving
Partners

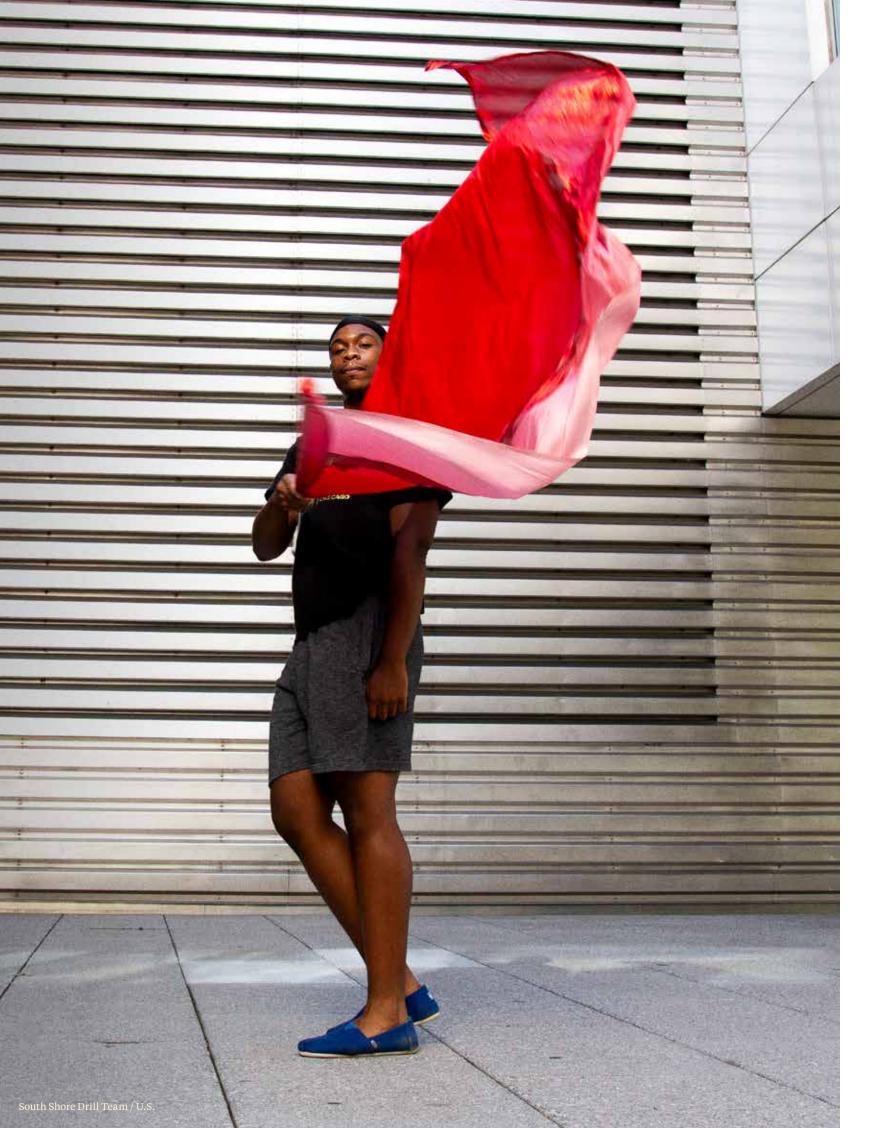
Impacted:
Malawi
Nigeria
Tanzania
Uganda

Zambia

Countries

151,200 Yang Wanth o

Years Worth of Solar Light Given



#### TOMS' Evolved Giving Model

#### Big news: our model is evolving.

TOMS has always stood for a better tomorrow. At first, that meant giving a new pair of shoes to a child in need for every pair sold. 13 years later and nearly 100 million pairs of shoes given, our communities face new and complex challenges, and we believe it's our responsibility to do more.

#### We believe in building a tomorrow where humanity thrives.

To us, that means no matter who you are or where you live, you feel physically safe, mentally healthy, and have equal access to opportunities. So, moving forward, we will give both shoes and impact grants to local partners around the world who are working to create positive change across these three areas.

# For every \$3 we make, we give \$1 away.

We are committed to dedicating at least one-third of our annual net profits to a giving fund managed by our very own Giving Team. We will then distribute shoes and grants according to an annual investment plan that reflects the needs of our Giving Partners, as well as the causes our community cares most about.

#### What does this mean for TOMS customers?

Every purchase supports a wide range of initiatives, impacting the lives of both individuals and communities.

#### What does this mean for TOMS Giving Partners?

We'll continue our relationships with many of the same organizations, finding new and improved ways to partner together.

#### What does this mean for TOMS employees?

TOMS employees are passionate about helping humanity thrive. This is just a more nimble approach to creating the change we want to see in the world.

71

#### **Giving Partners**

 $^{50}$  How We Partner

As you know by now, TOMS partners with a lot of different non-profits, non-governmental organizations, and social enterprises.

One thing that is consistent is that they're all incredible. We're grateful for the knowledge and passion that they bring to our partnership, as well as the work they're doing to build a better tomorrow in communities around the globe. Some organizations focus on a single country, whereas others are international agencies or research organizations.

# What Does a Successful Partnership Look Like?

We polled 66 of our Shoe Giving Partners to better understand how partnering with TOMS benefits their programs.

- 66% Gain additional visibility and /or credibility within or outside of communities served
- 79% Serve a greater number of people or communities
- 68% Build or strengthen partnerships or collaborations with other organizations
- 44% Attract additional support, from volunteers to board members
- 41% Increase program interest and attendance

#### **Ground Rules for Giving Partners**

Each Giving Partner agrees to the following:

- We do not convert beneficiaries to any religious or political affiliation or force participation in religious or political activities.
- We do not discriminate against any religious or political affiliations.
- We have a long-term commitment to the communities we serve\*.

#### **Giving Partner Qualifications**

Each Giving Partner is brought into our network through a thorough process—one that involves an application, deep research, PR reviews, and interviews. Here are some of the qualities that our Giving Team looks for in a potential partner:

#### Local experts

Our Giving Partners must have deep roots in the communities they serve and the work that they're doing, drawing expertise from experience. They don't rely on international volunteers to sustain their programs. They are local experts.

#### Sustainable programming

Our Giving Partners work to address local needs in a way that will allow the community to meet its own needs in the future, empowering the population.

#### **Opportunities for integration**

We work with organizations that are poised to integrate TOMS resources into their existing programs. We believe this creates a more sustainable relationship between ourselves and our partners, helping to maximize the impact already being created by existing programs.

#### Tracking capabilities

We seek out partners with proven monitoring and assessment capabilities. Every Giving Partner must complete annual reporting so that we can see how TOMS resources are being utilized, and if we're complementing the programs as intended.

#### Innovative, impactful solutions

From non-profits serving small to midsize communities to larger, more established organizations launching new programs, we're always looking for ways that we can help move the needle.

<sup>\*</sup> Disaster relief partners exempt.

Now that we've gotten through all of the technical stuff, we wanted to call attention to—and applaud—a truly remarkable, impactful network of Giving Partners. TOMS' giving is not possible without our customers and our Giving Partners. We are truly grateful for and inspired by their work, their partnership, and their commitment to creating a better tomorrow.

A Moment of Acknowledgment

# Our Global Network of Giving Partners

(2018 only)

#### **Shoe Giving Partners**

Ahadi Kenya Trust

**Americares** 

**Anchor of Hope Charities** 

Anera

Baby2Baby

**Bright Generation Community Foundation** 

Cambodian Children's Fund

**CARE®** 

Children International

**ChildFund International** 

COHESU

Convoy of Hope

Coprodeli

Dabaso Tujengane CBO

**EDF Thailand** 

Feed The Children

Fundación Paraguaya

Goonj

Hai Hui

Hogar de Niños Enmanuel

icddr, b

IMA World Health

**International Medalist Association** 

**International Medical Corps** 

Joint Aid Management

**Jhpiego** 

Karuna Trust

LA's BEST Afterschool Enrichment Program

Los Angeles LGBT Center

Magic Bus

NaPAN

Partners In Health

Partnership With Native Americans

**Project RENEW** 

Save the Children Federation

The Akshaya Patra Foundation

The Luke Commission

Together for Children

**UAE Red Crescent Authority** 

**USA for UNHCR** 

Yamba Malawi

YouChange

#### **Sight Giving Partners**

**Aravind Eye Care System** 

**BRAC** 

Fundación Visión

Helen Keller International

Ispahani Islamia Eye Institute

LV Prasad Eye Institute

Quasem's Marium Eye Hospital

Sadguru Netra Chikitsalaya

**Seva Foundation** 

Visualiza

Vivekananda Mission Asram

Netra Niramay Niketan

#### Safe Water Giving Partners

WaterAid America

Water For People

#### Safe Birth Giving Partners

ayzh

BRAC

### **Bully Prevention & Response Giving Partners**

**Crisis Text Line** 

No Bully

#### Solar Light Giving Partners

SolarAid

Solar Sister

#### **Impact Grant Giving Partners**

1Climb

Black & Brown Gun Violence Prevention Consortium

Centrepoint

**Downtown Women's Center** 

Eighteenx18

**Everytown For Gun Safety Support Fund** 

Faith in Action's LIVE FREE Campaign

Get Lit - Words Ignite

Giffords: Courage to Fight Gun Violence

Into Action

March For Our Lives

Moms Demand Action for Gun Sense in America

**Rock the Vote** 

South Shore Drill Team

Think Outside Da Block

#### **Giving Trips**

#### **About TOMS Travels**

This is a really, really special program. Launched in 2010, TOMS Giving Trips are an opportunity to engage TOMS employees, stakeholders, and other guests in our giving firsthand, keeping them connected to and inspired by our mission.

Each Giving Trip is a fully-funded opportunity to travel to another country or state, and learn alongside our Giving Partners—giving shoes, witnessing sight giving in action, or learning about a community and issue area through a week-long immersion. After experiencing the programs and people we support, travelers always return with a clearer understanding of the work our community enables, and an even stronger commitment to our shared purpose. At present, 60% of our employees have traveled on at least one giving trip.



## Giving Trips

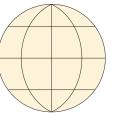


Fig. 20

We've funded 1,327 travelers from more than 20 countries.

Number of Giving Trips 126 trips
with an average
of 8–12 trips
per year

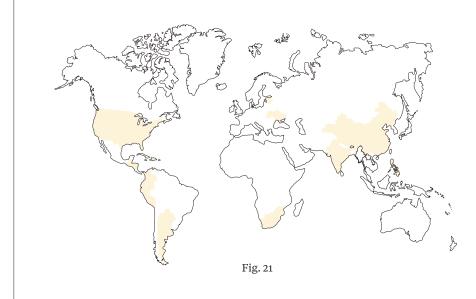
Top 3 Countries by Frequency:

1 Peru

2 Honduras

3 Paraguay

#### Where We've Traveled



#### List of Countries

Argentina

China

Colombia

Dominican Republic

Ecuador El Salvador

Guatemala

Haiti

Honduras India

Lesotho

Nicaragua

Paraguay

Peru

Philippines
South Africa

Ukraine

United States

#### Tomorrows Project®

**Number of Projects** 

36projects proposed by36 different employees

Dollars Given from 2016–2018

\$360,000

distributed across 36 programs

#### **Number of Projects** Fig. 22 **Project Categories Youth Enrichment** 17% Refugee Assistance 14% Education 11% Environment 8% 8% Health 8% Hunger 6% Sexual Violence 6% Homelessness 5% Housing 5% **■** Military Support 3% Technology 3% Disaster Relief 3% Mental Health 3%



#### **About the Tomorrows Project**

When TOMS partnered with Bain Capital in 2014, Founder and Chief Shoe Giver Blake Mycoskie and his wife Heather Mycoskie pledged a portion of the proceeds of the transactions to support social entrepreneurship. The Tomorrows Project is an outcome of that pledge—and your continued support.

Think of Tomorrows Project as a platform that allows full-time employees to operate as advocates for the causes they care about. Each month, employees are invited to submit one idea for a project that will result in positive social impact, or call attention to an existing organization they'd like to support. Voting is then opened company-wide, and the project or organization that receives the greatest number of votes is awarded funding of \$10,000. Other applicants can reapply in the months that follow.

#### **Tomorrows Project in Action**

In September 2019, TOMS employee Samii Hartman secured \$10,000 in support of RAICES, an organization that connects recently detained migrants with information, assistance, and mental health resources. Specifically, TOMS funding will help cover cost of services such as health screenings, assessments, education, and counseling for migrants in San Antonio, Texas.



# As a Certified B Corporation<sup>®</sup>, We're in Good Company

#### What's a B Corp<sup>™</sup>?

Certified B Corporations® (B Corps™) are for-profit companies that use business as a force for good. They also meet the highest verified standards of social and environmental performance, transparency, and accountability.¹⁶ To date, there are more than 3,000 B Corps™ across 130 industries and 60 countries worldwide.¹⁷ TOMS is proud to join a community of businesses committed to redefining success, and to building a more inclusive and sustainable economy.

#### **How it Works**

Certified B Corps<sup>™</sup> achieve a minimum verified score of 80 points on the B Impact Assessment—a rigorous assessment of a company's impact on its workers, customers, community, and the environment. This assessment is overseen by B Lab's<sup>®</sup> Independent Standards Advisory Council.

Once certified, B Corps<sup>™</sup> amend their governing documents so that, by law, the decisions of their boards take into account an impact on employees, customers, society, and the environment.<sup>16</sup>

#### **TOMS Gets Certified**

TOMS became a Certified B Corporation® in 2018, with a total score of 96.3. In 2019, we earned a spot on B Lab's "Best for the World" list, scoring in the top 10th percentile of all Certified B Corporations® for community impact. The Community portion of the B Impact Assessment evaluates a company's supplier relations, diversity, and involvement in the local community. It also measures practices and policies around community service and charitable giving, including whether or not a company's product or service is designed to solve social issues like access to health services, education, economic opportunity or the arts.

Along with all other B  $Corps^{\infty}$ , we'll need to improve our score every three years to maintain our certification. So, as always, we're looking for opportunities to improve, with the environment being a key focus area.

## Additional Compliance & Accreditation

#### INTA

The International Trademark Association® (INTA) is a global association of brand owners and professionals dedicated to supporting trademarks and related intellectual property (IP) to foster consumer trust, economic growth, and innovation. Members include more than 7,200 organizations from 191 countries, contributing almost U.S. \$12 trillion / €8.8 trillion / ¥73 trillion to global GDP annually. TOMS is proudly represented on the President's Task Force, dedicated to providing leadership and guidance around the topic of building a better society through Brands. Our Senior Director of Intellectual Property & CSR, Jessica Murray, chairs the "Brands for a Better Tomorrow."

#### **ICAR**

The International Corporate Accountability Roundtable (ICAR) is composed of an Advisory Board, General Members, and Partners on specific campaigns. ICAR's objective through the Transparency Pledge is to help the apparel and footwear industry reach a common minimum standard for supply chain disclosures by getting companies to publish standardized, meaningful information on all factories in the manufacturing phase of their supply chain. It TOMS took the *Transparency Pledge* in August 2019, and our manufacturing details have been published on the TOMS.com website since September 2019. We are committed to reviewing and updating these details on a yearly cadence.

#### **Explanatory Page**

https://www.toms.com/supply-chain-transparency

#### **Direct Link**

 $https://www.toms.com/static/www/images/landingpages/CA\_Supply\_Chain/2019\_TOMS\_Finished\_Goods\_Supplier\_List.pdf$ 

#### FLA

The Fair Labor Association\* (FLA) is the leading social compliance organization in the world. 46 Companies ranging in revenue from \$30 million to \$90 billion have joined the FLA, showing their commitment to transparency and accountability along their global supply chains. TOMS' application was accepted by the FLA in February 2018, and we are in the process of obtaining the accreditation that we've been invited to pursue. Upon successful completion of our application, TOMS will be presented as an accredited company to the FLA Board of Directors and be subject to a final vote. Our goal is to obtain full accreditation by 2020.

#### Transparency in Supply Chain Act & Modern Slavery Act of 2015

California's Transparency in Supply Chain Act is designed to combat slavery and human trafficking, by "ensur[ing] that large

retailers and manufacturers provide consumers with information regarding their efforts to eradicate slavery and human trafficking from their supply chains, educate consumers on how to purchase goods produced by companies that responsibly manage their supply chains, and, thereby, improve the lives of victims of slavery and human trafficking."22 The Modern Slavery Act of 2015 is similarly designed to combat modern day slavery in the United Kingdom (incl. England and Wales) through a number of provisions, including Transparency in Supply Chain Provisions, which require businesses to publish an annual statement confirming the steps taken to ensure slavery and human trafficking are not taking place in the business or business' supply chain. Through TOMS' Supply Chain Disclosure (available at https://www.toms. com/supply-chain-transparency), TOMS is compliant with the requirements of California's Transparency in Supply Chains Act and the U.K.'s Modern Slavery Act of 2015. TOMS regularly evaluates our supply chain, seeking to ensure the enforcement of high standards across all aspects of the business.

#### **United Nations Sustainable Development Goals**

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blue-print for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which seek to build on the Millennium Development Goals and complete what the MDGs did not achieve. <sup>23</sup> Considering our company's business and giving activities through the lens of supporting SDGs allows us to be a (small) part of this consolidated global effort to improve global conditions by 2030, to focus our investments on priority issue areas as defined by the UN and to bring credibility to the urgency of the selected issue areas.

#### Supported goals include:

- #1 No Poverty
- #3 Good Health and Well-Being
- #4 Quality Education
- **#5** Gender Equality
- #6 Clean Water and Sanitation
- #8 Decent Work and Economic Growth
- #10 Reduced Inequalities

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 $Please \ note, all \ numbers \ included \ in \ this \ Impact \ Report \ represent \ cumulative impact \ details-up \ to \ and \ including \ 2018-unless \ otherwise \ noted.$ 

**STAND FOR TOMORROW™** 

