

**ESG DISCLOSURE**  
—  
**MATERIALITY AND  
STAKEHOLDER DIALOGUE  
2023-2024**



*This factsheet presents, in a synthetic and non-exhaustive manner, Kering’s materiality analysis, stakeholder interaction and actions implemented for and with each of the stakeholder categories with which Kering and its Houses interact. This factsheet expands and completes the information published by Kering in its 2023 Universal Registration Document, in particular section 1.3 of the Sustainability chapter and was updated as of July 2024.*

## **Summary**

MATERIALITY .....	3
Our vision and business model.....	3
Analysis of materiality and non-financial risks: our priorities .....	3
Materiality assessment: targeting the main priorities .....	4
STAKEHOLDER DIALOGUE AND INTERACTION WITH THE GROUP AND ITS HOUSES .....	8
Employees and their representatives .....	8
Shareholders and financial community .....	10
Clients, consumers and distributors.....	11
Suppliers and business partners.....	12
Creative talent and excellence in craftsmanship, schools and universities .....	13
Civil society, local communities and NGOs .....	14
Peers and professional associations.....	15
Innovation players .....	16
Public authorities and regulators .....	17

# MATERIALITY

## Our vision and business model

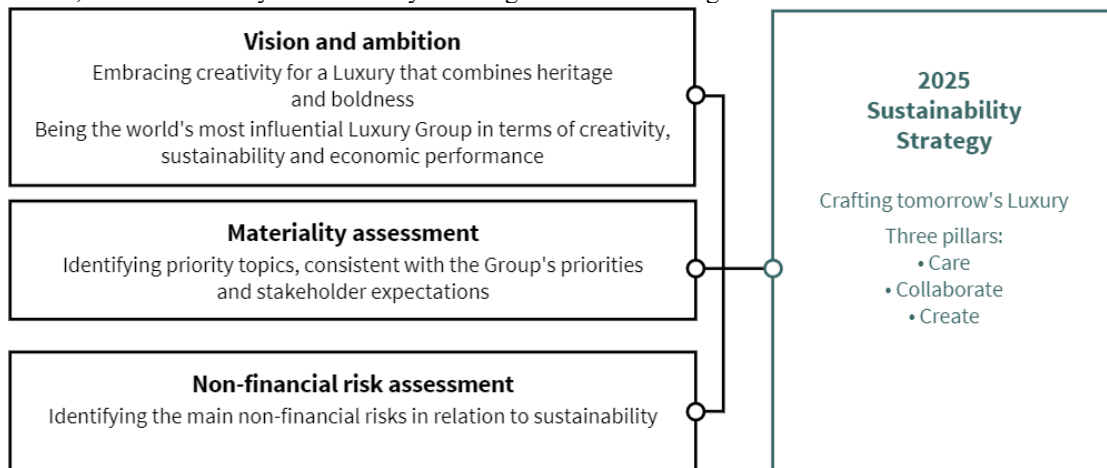
Kering's vision – Creativity for a vision of Luxury that combines heritage and boldness – its ambition and the Group's value creation model and strategy, are presented in Chapter 1 of the 2023 Universal Registration Document.

The Group's value chain, simplified in seven key steps, reflects Kering's interactions and collaborations with all of its stakeholders. The aim is to gain a full appreciation of their concerns and expectations, and, as far as possible, to incorporate these aspects into the Group's strategy.



## Analysis of materiality and non-financial risks: our priorities

Kering is rolling out its ambitious 2025 Sustainability Strategy that builds on three components: the vision and ambition adopted at the highest level of the Group, the materiality assessment, and the non-financial risk assessment, which accurately identifies key challenges and risks throughout the value chain.



## Materiality assessment: targeting the main priorities

Materiality is at the core of Kering's Sustainability approach. Since 2013, this approach has allowed Kering to identify the key topics relating to its vision and its business activities (based on their economic, environmental and social impacts as well as governance), and how key stakeholders assess them by considering internal impact on the business as well as external impact on society and the environment.

### • Materiality assessment methodology and stakeholder engagement process

Kering consulted its stakeholders around the world in 2020 in order to feed its materiality assessment. This three-step materiality assessment drew on various existing guidelines for stakeholder engagement (GRI, AA1000, ISO 26000). A steering committee made up of members of the Group's main functional departments were involved throughout the project, which was supported by a team of independent consultants.

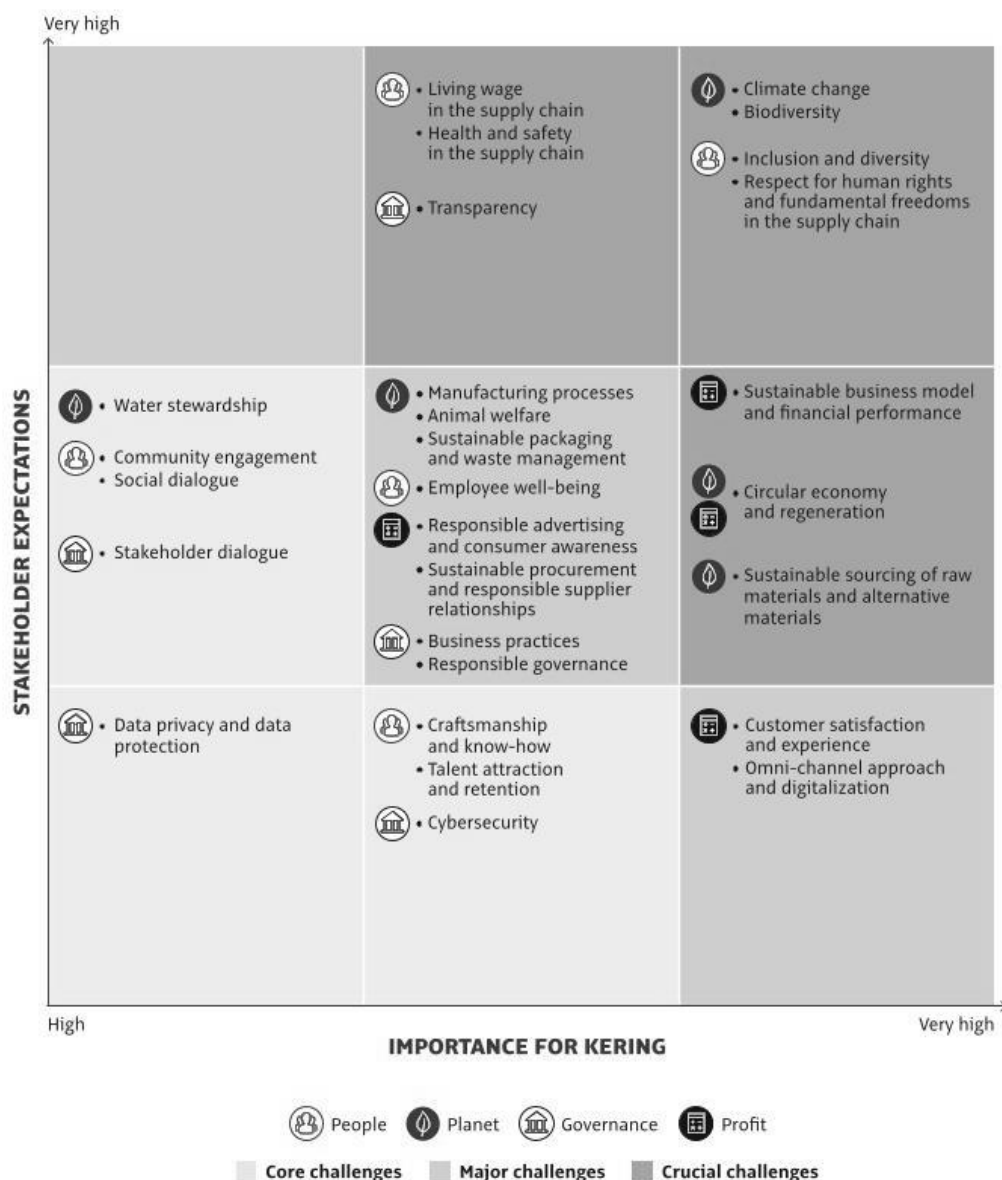
1. Identification of topics	2. Stakeholder consultation and assessment of topics	3. Ranking and consolidation of results
<ul style="list-style-type: none"> <li>Updating of the mapping of topics –sustainability, strategic, economic and operational – on the basis of an in-depth documentary review: international benchmarks (GRI, TCFD, SASB, IIRC, UN SDGs, UN GC, etc.), rating agencies' assessments, investor questions, Group news and press releases, major trends, internal surveys and studies</li> <li>List of 28 topics on which stakeholders were consulted</li> </ul>	<ul style="list-style-type: none"> <li>Quantitative international study and strategic interviews of nearly 70 external stakeholders (investors, suppliers and business partners, distributors and clients, civil society, local communities and NGOs, academics, public authorities and regulators, peers, professional organizations and innovators) and internal stakeholders (management, top management at Kering and its Houses, functional departments)</li> <li>Dual assessment of each topic: by external stakeholders and by internal stakeholders</li> <li>Evaluation of internal impact on the business as well as external impact on society and the environment</li> <li>Dynamic assessment of developments affecting the various topics (i) with regard to the COVID-19 pandemic and (ii) after a period of ten years</li> </ul>	<ul style="list-style-type: none"> <li>Consolidation and analysis of results: equal weighting given to topics and responses from different groups of stakeholders</li> <li>Enrichment of quantitative results with data from strategic interviews: confirmation of the preponderance of certain challenges – and notably their importance for Kering, allowing weak signals and emerging topics to be examined in greater depth</li> <li>Perceived impact of the COVID-19 pandemic on the topics and major trends in the short, medium and long term</li> <li>Sharing results</li> </ul>

### • Graphical representation and analysis of results

Kering's materiality matrix includes 28 topics with high overall importance, broken down into four categories: planet, people (social and societal topics), profit (business) and governance. These topics are arranged in a three-level hierarchy, which provides useful information that allows the Group to better understand, manage and prioritize its actions in the short and medium term.

The results of the assessment confirm that Kering's strategic pillars defined in its 2025 Sustainability Strategy and its business model, as well as the commitments made since 2020, are consistent with the expectations of external stakeholders. In 2020, stakeholders identified four topics that were gaining traction – biodiversity, sustainable procurement and responsible supplier relations, employee well-being, and cybersecurity – and this has been confirmed in the light of societal changes and new regulations.

Sustainability topics included in the matrix are therefore covered by action plans and key performance indicators as part of Kering's 2025 Sustainability Strategy.



The results are also closely linked to trends impacting the luxury goods market. Generations Y (1981-1995) and Z (>1995), with their demand for innovative products and heightened awareness of social and environmental issues, are driving the Group to accelerate its transformation and increase transparency.

#### • Update on double materiality assessment 2023/2024

In 2023 and early 2024, Kering began the work relating to the entry into force of the Corporate Sustainability Reporting Directive (CSRD), involving all relevant internal stakeholders and functional departments (Sustainability, Risk Management, Finance, Human resources, Legal and Compliance departments, representatives of the Houses, etc.). Kering notably conducted a double materiality assessment performed in accordance with the European Sustainability Reporting Standards (ESRS) and paragraph 3 of ESRS1 “*Double materiality as the basis for sustainability disclosures*”, and the “*Implementation guidance for the materiality assessment*” published by the European Financial Reporting Advisory Group (EFRAG) with the support of an independent consultancy firm. The double materiality assessment is the basis to identify the material information to be included in sustainability statement.

The current results presented below may be reviewed before the publication of Kering’s sustainability report expected beginning of 2025 and will be reviewed annually in line with recommendations and best practices. It was

conducted through an assessment of material impacts, risks and opportunities (IROs) across the environmental, social and governance topics in a Kering's own operations as well as in upstream and downstream value chain, considering impact on the business (financial materiality, “outside-in”) as well as external impact on society and the environment (impact materiality, “inside-out”). The Group followed a 3-step approach:

1. Understanding of the context	2. Identification of actual and potential IROs	3. Assessment and determination of potential IROs
<p><b>Objective:</b> Gather key contextual inputs for identifying Kering's impacts, risks and opportunities.</p> <ul style="list-style-type: none"> <li>Review of the Group's activities and business relationships;</li> <li>In-depth documentary review of legal and regulatory landscape (CSRD, SDDR PAI, EU Green Taxonomy, EU CSDDD, Duty of Care) as well as international reporting frameworks (ISSB, SASB, SDGs, Global Compact, GRI, TCFD, TNFD etc.) and peers' CSR strategies;</li> <li>Mapping of affected stakeholders and affected communities.</li> </ul>	<p><b>Objective:</b> Identify the IROs</p> <ul style="list-style-type: none"> <li>Identification of a list of sustainability matters based on the topics identified in ESRS 1 paragraph AR 16 and other internal documents and rating agencies' assessments, investor questions to identify entity-specific matters to be addressed;</li> <li>Identification of the related IROs for each sustainability matters identified and definition of their actual/potential character and their time horizon (short, medium and long-term).</li> </ul>	<p><b>Objective:</b> Assess the materiality of the IROs identified</p> <ul style="list-style-type: none"> <li>Definition of impact and financial materiality thresholds were defined in alignment with the existing Enterprise Risk Management process;</li> <li>Assessment of material topics based on the defined thresholds;</li> <li>Consolidation of the results and additional interviews with representatives from Kering's Houses, regions and key corporate functions;</li> <li><b>29 sustainability matters</b> were identified as material.</li> </ul>

The 29 sustainability matters identified as material are presented below:

ENVIRONMENT	SOCIAL	GOVERNANCE
<ul style="list-style-type: none"> <li>Circular fashion</li> <li>Water pollution &amp; substances of concern</li> <li>Waste</li> <li>Circular packaging</li> <li>Microplastics &amp; microfiber pollution</li> <li>Climate change mitigation</li> <li>Water scarcity</li> <li>Biodiversity loss</li> <li>Raw materials scarcity &amp; quality</li> <li>Climate change adaptation</li> </ul>	<ul style="list-style-type: none"> <li>Inclusion, diversity and equity</li> <li>Talent management and skills development</li> <li>Employee working conditions, H&amp;S, social dialogue and wellbeing in the workplace</li> <li>Fair treatment of on-site contractors</li> <li>Human Rights in Kering's own operations</li> <li>Preservation of craftsmanship</li> <li>Human rights in the value chain</li> <li>Decent working conditions in the value chain</li> <li>Dialogue with local communities</li> <li>Women empowerment in society</li> <li>Rights of indigenous communities</li> <li>Product transparency &amp; footprint</li> <li>Responsible marketing practices</li> <li>Customer data privacy and protection</li> </ul>	<ul style="list-style-type: none"> <li>Protection of whistleblowers</li> <li>Transparent and positive influence</li> <li>Responsible procurement and supplier relationships</li> <li>Animal welfare</li> <li>Ethics, fraud &amp; corruption</li> </ul>

A Steering Committee composed of members of the Executive committee as well as other C-suit members was set up to review and validate the process and results of the double materiality assessment.

Under the CSRD, sustainability reporting responsibilities have been attributed to the Audit Committee, with a follow-up by the Sustainability Committee. Under this framework, the double materiality assessment was presented during a joint meeting of the Audit Committee and Sustainability Committee of the Board.

As part of the Corporate Sustainability Reporting Directive (CSRD), the process and results of the double materiality assessment are currently being reviewed and audited by independent third-party assurance providers.

With the increasing pace of climate change, Kering has accelerated its transition to address complex changes and potential upcoming risks of disruption, rethinking the way it sources and manufactures. Its reliance on high-quality materials and artisanal skills makes transition challenging, requiring innovative approaches to maintain luxury standards that may threaten conventional jobs (eg losses due to the development of low-carbon materials). Scrutiny has recently increased and will intensify in the next 3-5 years regarding social impacts of climate actions, as illustrated in a 2024 *REMAKE* article (NGO focusing on the clothing industry). There is a need **to define what climate justice entails for sectors** outside of the Oil & Gas industries, as Kering's shift towards low-carbon needs to be fair and inclusive addressing the needs of all stakeholders, including workers and communities to ensure social equity and community resilience.

Impacts on Kering could be directly correlated to its business resilience. As a responsible company, Kering must ensure that its transition plan considers the social consequences on workers within its value chain, securing communities resilience, workers' livelihood whilst ensuring quality & availability of raw materials and preservation of craftsmanship. Workforce disruption could arise if workers are unable to adapt quickly to new methods, affecting productivity and output quality. There might also be challenges regarding skilled labor in regions where such practices are not yet widespread. Hence, attracting or reskilling and upskilling workers at various levels of the supply chain, to adapt to new techniques, technologies and knowledge that traditional training may not cover (eg tanning of leather alternatives) is needed. This would require increased investment which could lead to higher operational costs. Ultimately, this represents a shift in Kering's business model.

To mitigate this risk, Kering is adopting a multi-faceted approach with a view of shared value creation. Kering is investing in R&D to innovate sustainable luxury-grade materials. This includes partnerships with farmers to transition their agricultural practices, investments in advanced innovations that reduce environmental impact (eg development of sustainable materials such as leather alternatives). Kering is also engaging with suppliers within its value chain to develop joint initiatives supporting community development and securing key materials' availability for business resilience. Kering is partnering with educational institutions and industry experts to preserve craftsmanship whilst integrating new technologies, such as apprenticeships and programs to nurture a new generation of artisans proficient in sustainable techniques. Finally, Kering is working with industry groups (such as the BCTI working group of the WBCSD) to advocate for regulations that support a just transition.

Another emerging topic identified pertains to the **significant increase in importance of biodiversity loss and raw material scarcity**. In recent months, there has been an acceleration in global awareness regarding the impact of biodiversity loss and ecosystem collapse. International organizations like the World Economic Forum in its 2023 report, the United Nations and the OECD have highlighted this issue as one of the global risks that will intensify at some of the highest rates within the coming decade. Kering relies heavily on natural materials to manufacture products and its sourcing practices could be negatively impacted by biodiversity loss. Consequently, manufacturing disruptions caused by the unavailability or decreased quality of raw materials, due to climate change and its impact on biodiversity and on the destruction of land and ecosystems or by intensive livestock farming, could increasingly threaten the production of high-quality luxury products. With global supply chains, Kering is particularly attentive to and impacted by the preservation and healthy functioning of natural ecosystems, especially those that are specific to its activities.

Kering's activities rely on nature and its resources, making their protection of paramount importance for maintaining the Group's sustainable growth. Like other fashion companies, Kering's core business is inextricably linked to well-functioning, healthy ecosystems. Any degradation of these ecosystems has a direct impact on the Group's global supply chains, which include – among other commodities – cashmere in Mongolia or wool in New Zealand. Unavailability of raw materials that must comply with the Group's quality criteria and be obtained in accordance with the Group's standards is a key business risk with significant financial and operational impacts, which would translate into greater price volatility, and may thus affect the production and distribution of finished products. For example, during a recent winter, a severe drought led to the loss of cashmere goats, leading to reduced cashmere availability and to a 30-50% price increase. These risks could impact Kering's value chain, by intensifying the need for diversifying cashmere sourcing regions and further developing regenerative agricultural practices with suppliers.

Updated in 2023, Kering's Biodiversity Strategy applies the conservation hierarchy as recommended by the Science Based Targets Network (SBTN) to create a nature-positive trajectory that ensures that human activities respect planetary boundaries. Kering aims to bring about a paradigm shift through restoration and regeneration. Endowed with 5M€ over a 5-year period, the Regenerative Fund for Nature aims to convert 1M ha of farms in landscapes where raw materials are produced to regenerative agricultural practices by 2025. The Kering Standards list all requirements to be respected by the brands and their suppliers in terms of raw material sourcing to reduce negative impact on biodiversity and promote (i) recycled or certified materials (ii) regenerative farming (iii) alternatives to virgin materials. Our Environmental Profit & Loss allows to estimate how Kering and the raw materials used affect nature and, through the Land Use pillar, the provision of ecosystem services and biodiversity. It's used to prioritize commodities & sourcing regions to reduce negative impacts.

# STAKEHOLDER DIALOGUE AND INTERACTION WITH THE GROUP AND ITS HOUSES

To stay closely attuned to its stakeholders' priority challenges and contribute to the movement toward more sustainable luxury, Kering has defined a consultation approach based on dialogue and analysis of stakeholder expectations at the Group level. This analysis is updated annually. It was reviewed in-depth as part of the preparatory work conducted for the CSRD's entry into force, to ensure that relevant stakeholders were considered in the double materiality assessment.

Beyond its materiality assessment, Kering takes action at the local, national and international levels and participates in many initiatives and associations with its stakeholders or as part of multi-party stakeholder coalitions. Kering encourages each House to develop its own dialogue platforms at a more operational level.

Below is presented a non-exhaustive overview of the main expectations identified and the ways in which the Group interacts with each stakeholder category:

## **Employees and their representatives**

- Employees
- Employee representative bodies
- Trade unions
- Board directors representing employees
- Apprentices
- Interns

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Training and skills development programs</li> <li>• Appealing career paths (in a talent competition context)</li> <li>• Empowering work organization, with attractive remuneration and benefits</li> <li>• Respect for work-life balance</li> <li>• Quality labor relations dialogue and respect for fundamental rights</li> <li>• Inclusion and diversity policy</li> </ul>	<ul style="list-style-type: none"> <li>• Become the preferred employer in the luxury sector</li> <li>• Share a common vision on Group values and policies</li> <li>• Promote an inclusive work environment and achieve gender parity at all levels</li> </ul>

Avenues for interaction (examples – not exhaustive)
<ul style="list-style-type: none"> <li>• Internal charters and policies (Code of Ethics, HR policy, Parental policy, Global Policy on domestic violence)</li> <li>• Collective agreements (well-being at work, Empowering Talent, Remote working, etc.)</li> <li>• Ongoing and regular dialogue with employee representative bodies and trade unions             <ul style="list-style-type: none"> <li>- Kering European Works Council</li> <li>- French Works Council, 1-day training of members on social dialogue</li> <li>- 2 Employee representatives at the Board of Directors</li> </ul> </li> <li>• Inclusion and Diversity Committees at House and corporate levels</li> <li>• Global Inclusion and diversity strategy supported by new governance with a regional dimension, particularly in the Americas and Asia Pacific</li> <li>• Roll-out of a training on inclusive leadership: Kering Perspectives, followed by Kering's Comex in 2022, for all Houses' management committees and functional departments of the Group.</li> </ul>



- Internal network for gender equality and the promotion of women in the company "Women in Luxury" (launched in France, 2022) extended in 2023 to Italy, United-Sates, Mainland China, Singapore, Mexico, Korea and Japan
- Universal Fair Pay certification for Kering and recognized for all of the Group's Houses related to gender pay gap
- Whistleblowing system (ethics committees and ethics hotline)
- Annual review (People Performance and Development Annual Review), regular reviews (check-in conversations)
- Training and e-learning platforms:
  - Global Learning day dedicated to learning and strengthening the culture of learning;
  - The Kering Planet, "Ethics & Compliance" training program, Sustainability Academy;
  - Development of functional Academies at Group level (Finance, Supply chain, Sustainability, Tech, Human resources etc.)
  - Kering Learning: new learning experience on digital platform based on employees' skills
  - Houses: Gucci Retail Academy, Saint Laurent e-University, Balenciaga Global Retail Meeting, Alexander McQueen Responsible Materials training etc.
- Giving Back volunteering program and Gucci Changemarkers continued in 2023
- Internal engagement employee survey Kering Employee Listening: annual Group survey and additional surveys by the Houses if needed
- Internal events including Kering's 10th anniversary celebrations in the Group's 3 regions
- Internal communication, Intranet and employee newsletters via Workplace
- Internal sustainability events:
  - Climate Fresks and 2Tonnes workshops
  - Awareness-raising days organized by Kering and/or the Houses (Earth & Climate weeks)
  - Actions led by the Kering Foundation to raise awareness about violence against women
  - Health and safety training (use of defibrillators, etc.)
  - Bee Club

## **Shareholders and financial community**

- Institutional investors (portfolio managers, shares/bonds/SRI, governance teams, etc.)
- Financial analysts
- Market authorities (AMF, Euronext, etc.)
- Private individual shareholders
- Financial and non-financial rating agencies

<b>Expectations</b>	<b>Kering value proposition</b>
<ul style="list-style-type: none"> <li>• Relevance and consistency of strategy</li> <li>• Financial performance and value creation</li> <li>• Return on investment (stock market performance, dividends, share buybacks, etc.)</li> <li>• Equal access to information; precise, reliable and accurate financial reporting</li> <li>• Heightened expectations on ESG aspects</li> </ul>	<ul style="list-style-type: none"> <li>• Business model rooted in exceptional Houses</li> <li>• Strategy aimed at seizing the full potential of the Luxury industry</li> <li>• Clearly established financial priorities</li> <li>• Best-in-class corporate governance standards and ambitious sustainability strategy</li> </ul>

### **Avenues for interaction (examples – not exhaustive)**

- Ongoing and periodic regulatory information in French and English
- “Finance” section on the Corporate website regularly updated and expanded
- Dialogue with shareholders, notably at the Annual General Meeting and via regular communications
  - Financial notices in the press or on-line
  - Semestrial Letter to Shareholders, annual Shareholder’s Guide, hotline for private individual shareholders
  - Visit of Kering’s Head office in Paris
- Regular exchanges with institutional investors and financial analysts
- Conference calls and videoconferences upon the release of quarterly revenue, half-year and annual results
- Organization of roadshows and participation in several sector-specific conferences
- Roadshow on ESG matters with the Lead Independent Director and several members of the Group’s management
- Lead Independent Director, represents the Board of Directors in its dealings with institutional investors on ESG matters in conjunction with the Chairman and Executive Officer
- Answers to non-financial assessment questionnaires
  - Strong presence in major non-financial indices (DJSI World and Europe, FTSE4Good, CAC 40 ESG, etc.)
  - External recognitions of our CSR performance (Corporate Knights – Global 100, ISS ESG, MSCI, Sustainalytics, S&P CSA etc.)

## **Clients, consumers and distributors**

- Clients
- Consumer associations
- Influencers
- Retailers

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Personalized customer experience adjusted to individual expectations</li> <li>• Quality and responsibility standards consistent with the Luxury sector</li> <li>• Privileged interaction with world-renowned Houses</li> <li>• Reliable, transparent and constructive information</li> </ul>	<ul style="list-style-type: none"> <li>• Raise client and consumer awareness on sustainability issues</li> <li>• Offer a unique customer experience</li> <li>• Offer a complementary omni-channel distribution network compliant with Group standards</li> </ul>

### **Avenues for interaction (examples – not exhaustive)**

- Worldwide network of boutiques and points of sale offering customer relationships unique to each House
- Client satisfaction surveys by each House
- Responsible communication guidelines
- Environmental claims guide (within the Kering Standards)
- Green Fashion Show guidelines
- Group publications, and Group, House and Kering Foundation websites
  - Email address dedicated to sustainability for interacting with Group and Houses' experts [sustainability@kering.com](mailto:sustainability@kering.com)
  - Impact reports: Gucci *Equilibrium* and Boucheron *Precious for the Future*
  - *Communication on sustainability matters via dedicated apps, their websites or social media:* Gucci, Boucheron, Saint Laurent, Pomellato, Brioni, Balenciaga, Bottega Veneta, Alexander McQueen or Kering Eyewear
- Social media
  - Fashion shows broadcast online
- Newsletters for clients
- Collaborations with certain retailers and marketplaces
  - Reflaunt, Revalorem, Vestiaire Collective
  - Events, dedicated communication and awareness-raising operations run by Houses and/or in partnership with distributors to educate consumers on sustainability issues
  - Collaboration between Balenciaga and NGO Up2Green Reforestation

## **Suppliers and business partners**

- Group and House direct suppliers and their subcontractors
- Suppliers of key raw materials
- Craftspeople and guilds
- Service providers
- Fashion models

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Support</li> <li>• Compliance with agreed payment terms and fair commercial terms and conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Support the continuation of craftsmanship traditions and the communities that support them</li> <li>• Roll out the Kering Standards to ensure excellence in production chains and promote the take-up of more responsible practices</li> <li>• Federate its ecosystem around industry best practices</li> </ul>

### **Avenues for interaction (examples – not exhaustive)**

- Suppliers' Charter, Sustainability Principles, Human Rights Policy
- Kering Standards: Standards and guides for sustainable production; Animal Welfare Standards; Kering Standards for Stores
  - Ban on fur
  - Kering Precious Metals Platform
- Fashion models charter
- Supplier portal, vendor rating, questionnaires, audits and Duty of Care Plan
  - 4,559 social audits in 2023;
  - Living wage analyses and assessments carried out with over one hundred of suppliers;
  - Analysis of on-site contractors to assess areas for improvement in regards to social topics.
- Support and incentives for environmental and social performance improvement of suppliers :
  - ZDHC Supplier to Zero Program;
  - Clean by Design program;
  - Capacity-building programs for Gucci and Bottega Veneta suppliers under the SA8000 certification process;
  - Gucci support actions towards its suppliers to help them implement energy-saving solutions as well as the *Sviluppo Filiere* program launched in 2020 in partnership with *Intesa SanPaolo*;
  - Kering Eyewear Sustainability Days gathering 20 of its main Italian suppliers for training and awareness-raising sessions on sustainability matters;
  - Project set up by Saint Laurent and Balenciaga for their denim suppliers in Japan.
- Whistleblowing system (ethics committees and ethics hotline): Communication plan on the whistleblowing system in 15 languages
- Craftsmanship excellence programs in *Haute Couture*, Leather goods and Jewelry

## **Creative talent and excellence in craftsmanship, schools and universities**

- Internal training centers
- Specialist training/apprenticeship in fashion, design and craftsmanship
- Universities

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Support on for the preservation of exceptional craftsmanship</li> <li>• Professional integration</li> <li>• Mentoring, coaching, feedback, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop talent and skills, and offer appealing career paths</li> <li>• Recruit the best talent</li> <li>• Forge partnerships with schools and universities</li> <li>• Step up collaborative efforts to identify more sustainable solutions</li> <li>• Educate tomorrow's designers on sustainability</li> </ul>

Avenues for interaction (examples – not exhaustive)
<ul style="list-style-type: none"> <li>• Craftsmanship excellence programs in <i>Haute Couture</i>, Leather goods and Jewelry             <ul style="list-style-type: none"> <li>- Pomellato <i>Virtuosi Academy</i>, in partnership with <i>Scuola Galdus Goldsmith</i></li> <li>- Gucci ArtLab and <i>Fabbriche Istituto Secoli</i></li> <li>- Bottega Veneta's <i>Accademia Labor et Ingenium</i></li> <li>- Brioni's partnership with <i>Scuola di Alta Sartoria</i> and the integration of the <i>Arazzeria Pennese</i> tapestry workshops in its Montebello workshops (in 2018)</li> </ul> </li> <li>• Academic partnerships             <ul style="list-style-type: none"> <li>- IFM – Kering Sustainability Chair at IFM: creation of a training course since 2020</li> <li>- Partnership between the Kering x IFM Sustainability Chair and the Bezalel Academy of Arts and Design</li> <li>- Saint Laurent Couture Institute, in partnership with IFM</li> <li>- Kering Certificate of Influential Luxury program with HEC Paris</li> <li>- Partnership with the London College of Fashion: classes, talks, MOOC, etc.</li> <li>- Boucheron's partnership with the French <i>Haute École de Joaillerie</i></li> </ul> </li> <li>• Forums in schools and exchange days</li> </ul>

## **Civil society, local communities and NGOs**

- Local authorities (public officials, local government, etc.)
- Charities and NGOs
- Media and social media networks
- Opinion leaders
- Public interest foundations

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>Local, grassroots action; participation in local economy</li> <li>Positive impact on individuals and society</li> <li>Reduction in environmental footprint</li> <li>Reliable, transparent information</li> </ul>	<ul style="list-style-type: none"> <li>Maintain dialogue and transparent communication</li> <li>Support grassroots projects and maintain long-term partnerships</li> <li>Draw on expertise from civil society</li> <li>Provide support for local communities across our supply chains and support livelihoods</li> <li>Take action to reduce our environmental footprint at all stages in our supply chains</li> </ul>

### **Avenues for interaction (examples – not exhaustive)**

- Support for grassroots projects and organizations
  - South Gobi Cashmere Program
  - Kering Foundation and its initiatives in combating violence against women (support for national organizations and networks; partnerships with certain Houses): *La Maison des Femmes de Saint-Denis*, *National Network to End Sexual Violence*, *Donne in Rete contro la violenza*, *Women's Aid*, *Red Nacional de Refugios* etc.
  - Kering and/or House partnerships with organizations: Charity: water, *Conservation International*, Canopy, UNICEF, WWF, Capitals Coalition etc.; Gucci: Chime for Change, Balenciaga : National Children's Alliance and Up2Green Reforestation
- Commitment from executive management, public relations
  - Signatory to the Pledge against Forced Labour in Uzbekistan Cotton and the Pledge against Forced Labour in the Cotton Sector of Turkmenistan
  - B4IG-BCTI (Business for Inclusive Growth - Business Commission to Tackle Inequality)
  - Founding member of *the Fédération de la Haute Couture et de la Mode* (FHCM)
  - *Collaboration with the Fair Wage Network* around the living wage in its supply chains and strategic partner of the Wage Indicator Foundation's initiative
  - Gucci has joined the Generation Equality Forum organized by UN Women (2021)
- Skills sponsorship, financial sponsorship and product donations
  - Group support for volunteer initiatives via the Giving Back program
- Group publications, and Group, House and Kering Foundation websites
- Talks of Kering and House Sustainability teams at various events, to share the Group's vision and details of its actions (*Salon de l'Agriculture*, *Watches and Wonders*, *Vogue Business Sustainability Forum*, *Global Fashion Summit*, *Innovation Forum à Amsterdam*, *IMD Luxury 2050 Forum*, *Festival de Hyères*, *WWD Japan Forum* etc.)

## Peers and professional associations

- Business federations
- Multi-party coalitions
- Professional and industry organizations and associations

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Maintain constructive dialogue with all players, and encourage cooperation on matters of public interest</li> <li>• Raise awareness across the private sector on matters such as biodiversity and climate</li> <li>• Drive change toward better practices across the fashion industry</li> </ul>	<ul style="list-style-type: none"> <li>• Federate an ecosystem around industry best practices</li> <li>• Take part in exchanges and debates, and build constructive dialogue to drive progress in terms of standards and regulations, and take-up of responsible practices</li> </ul>

Avenues for interaction (examples – not exhaustive)
<ul style="list-style-type: none"> <li>• Wide-reaching open-source approach             <ul style="list-style-type: none"> <li>- EP&amp;L, sourcing standards, etc.</li> </ul> </li> <li>• Participation in international and/or multi-stakeholder initiatives             <ul style="list-style-type: none"> <li>- Founding member of The Fashion Pact</li> <li>- Co-founder of the Watch and Jewellery Initiative 2030</li> <li>- Member of the Science Based Targets Network (SBTN) and RE100, an initiative for the transition to 100% renewable electricity</li> <li>- Signatory member of ZDHC (Zero Discharge of Hazardous Chemicals)</li> <li>- Member of Textile Exchange, Wildlife Friendly Enterprise Network, the IPI (International Platform for Insetting) initiative, BSR (Business for Social Responsibility), the Ellen MacArthur Foundation and B4IG-BCTI (Business for Inclusive Growth - Business Commission to Tackle Inequality) etc.</li> </ul> </li> <li>• Involvement in specialist working groups, consultation and dialogue             <ul style="list-style-type: none"> <li>- Member of the One Planet for Biodiversity Business (OP2B) coalition, the SBTN Corporate Engagement Programme, Act4Nature, the Paris Good Fashion initiative, <i>Entreprises Pour l'Environnement</i> (EPE), the Mekong Club, working to combat modern slavery, the <i>Fédération de la Haute Couture et de la Mode</i>'s sustainable development commission</li> <li>- Houses' involvement in organizations representing their respective industries: <i>Ente Bilaterale Occhialeria</i> in Italy; as well as professional associations: Gucci and Pomellato are members of <i>Valore D</i>, Boucheron is involved in the <i>Union Française de la Bijouterie, Joaillerie, Orfèvrerie, des Pierres &amp; des Perles</i> (UFBJOP); and industry initiatives for sustainability: Kering is part of the Colored Gemstones Working Group (CGWG)</li> </ul> </li> <li>• Talks and feedback presentations at conferences, forums and workshops spotlighting the role of businesses in society</li> </ul>

## **Innovation players**

- Academic partnerships
- Think tanks
- Incubators

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Transparent participation in public debate</li> <li>• Support for the innovation ecosystem and startups</li> <li>• Sharing of best practices</li> </ul>	<ul style="list-style-type: none"> <li>• Develop new and sustainable solutions for sourcing raw materials, including through the exploration of biotech and promotion of a circular economy</li> <li>• Invest in disruptive innovations capable of transforming conventional luxury practices and influencing the industry</li> </ul>

Avenues for interaction (examples – not exhaustive)
<ul style="list-style-type: none"> <li>• Accelerator and incubator program; mentoring for startups             <ul style="list-style-type: none"> <li>- Fashion For Good accelerator</li> <li>- Kering Ventures</li> </ul> </li> <li>• Calls for innovation projects, events and award ceremonies             <ul style="list-style-type: none"> <li>- Kering Generation Award in China in 2019, 2021 and 2023, launch of Kering Generation Award in Japan</li> <li>- First seven projects benefiting from the Kering Regenerative Fund for Nature and new call for projects launched in 2023 and arrival of Inditex as co-investor alongside Kering</li> </ul> </li> <li>• Wide-reaching open-source approach (EP&amp;L, Kering Standards, etc.)</li> <li>• Research and disruptive innovation in raw materials and production processes; academic partnerships             <ul style="list-style-type: none"> <li>- Material Innovation Lab (MIL) and Jewellery Innovation Lab (JIL)</li> <li>- Gucci ArtLab, Balenciaga Material Innovation Unit</li> <li>- Gucci Circular Hub</li> <li>- Internal workshops on responsible innovation (Idea Labs)</li> </ul> </li> </ul>



## **Public authorities and regulators**

- Regulators and standard setters
- Government bodies
- International organizations (UN, ILO, etc.)

Expectations	Kering value proposition
<ul style="list-style-type: none"> <li>• Compliance and observance of regulations</li> <li>• Transparent participation in public debate</li> </ul>	<ul style="list-style-type: none"> <li>• Meet regulatory requirements</li> <li>• Federate its ecosystem around industry best practices</li> <li>• Share experience</li> </ul>

Avenues for interaction (examples – not exhaustive)
<ul style="list-style-type: none"> <li>• Publication of regulatory information and communications</li> <li>• Dialogue and experience sharing with governmental and supranational bodies (UN, ILO, OECD, European Union, etc.)             <ul style="list-style-type: none"> <li>- Participation in public consultations and think tanks</li> </ul> </li> <li>• Participation in international and/or multi-stakeholder initiatives and specialist working groups             <ul style="list-style-type: none"> <li>- Task Force on Climate-related Financial Disclosures (TCFD) signatory member</li> <li>- Taskforce for Nature-related Financial Disclosures (TNFD) Member of the Stakeholder Forum and TNFD “early adopters”</li> <li>- Member of the World Business Council for Sustainable Development (WBCSD) and the <i>Association Française des Entreprises Privées</i> (AFEP)</li> </ul> </li> <li>• Registration in lobbying registers (HATVP register, European Commission Transparency Register)</li> <li>• Contribution, via the Houses, to the work of major fashion and luxury sector organizations, in France (<i>Comité Colbert, Fédération de la Haute Couture et de la Mode</i>), Italy (<i>Camera Nazionale della Moda Italiana, Altagamma</i>), and the UK (<i>Walpole</i>)</li> </ul>

# Empowering Imagination

Contact: [sustainability@kering.com](mailto:sustainability@kering.com)  
[www.kering.com/en/sustainability](http://www.kering.com/en/sustainability)